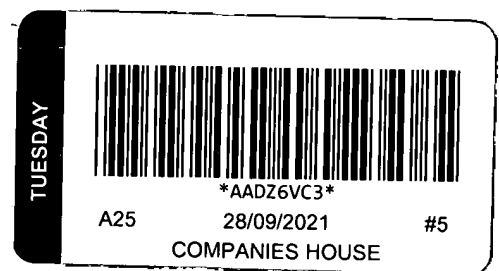


Registration number: 1899316

Bridgepoint Advisers Holdings
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Bridgepoint Advisers Holdings

Strategic Report for the Year Ended 31 December 2020

The directors present their strategic report for the year ended 31 December 2020.

Principal activity

The principal activity of the Company is to act as a holding company for subsidiary undertakings and also invest into certain of the Funds managed by subsidiaries of Bridgepoint Group Limited.

Results

The profit for the financial year is £40.5m (2019: £25.5m) and at the year end the Company has net assets of £77.9m (2019: £57.4m).

Principal risks and uncertainties and risk management

The Company's operations expose it to certain financial risks and accordingly it has appropriate controls and procedures in place that seek to limit any adverse effects on the financial performance of the Company. The main risk factors affecting the Group are macro-economic conditions, people and funding. Further details on financial risks and the key performance indicators of the "Bridgepoint Group" (which is made up of Bridgepoint Group Limited and its subsidiaries, the "Bridgepoint Group" or the "Group") are discussed in the financial statements of Bridgepoint Group Limited.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The directors of the Company, as those of all UK companies, must act in accordance with a set of general duties, which are detailed in Section 172 of the UK Companies Act 2006.

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so have regard (among other matters) to:

- the likely consequences of any decision in the long-term
- the interest of the company's employees
- the need to foster the company's relationships with suppliers, customers and others
- the impact of the company's operations on the community and environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between shareholders of the company

Bridgepoint has a Group Board (which are the directors of Bridgepoint Advisers Group Limited) which takes executive responsibility for the strategic direction of Bridgepoint. It has executive responsibility for setting the Group's strategy and ensuring that the shared values and business objectives are upheld and met.

The directors of the Company are involved in decisions that impact the Company and as required under the Companies Act 2006. Such matters include making commitments to investments and subsidiary companies and a decision to pay a dividend.

An explanation of how the Group Board has considered the matters set out in Section 172 (for the Group, and including the Company) is set out in the Annual Report and Financial Statements of Bridgepoint Group Limited. This includes details of the development, performance and position of the Group, as well as how the Group undertakes business conduct, employee and fund investor engagement, risk management and community engagement.

Bridgepoint Advisers Holdings

Directors' Report for the Year Ended 31 December 2020

The directors present their annual report together with the audited financial statements (the "financial statements") of Bridgepoint Advisers Holdings (the "Company") for the year ended 31 December 2020.

Principal activity

to act as a holding company for subsidiary undertakings and also invest into certain of the Funds managed by subsidiaries of Bridgepoint Group Limited.

The financial risks and the key performance indicators are discussed in the financial statements of Bridgepoint Group Limited.

Results and dividends

The results for the financial year are shown on page 8.

A dividend of £20.0m was paid in January 2020.

Future developments

In the future, the Company will continue to act as a holding company and continue to invest into certain of the Funds managed by members of the Bridgepoint Group.

Directors of the Company

The directors who held office during the year were as follows:

C S J Barter
G P Weldon
P R Gunner
J R Hughes
E G Woods
A M Jones

Directors' indemnity

During the year and at the time of signing, Bridgepoint Advisers Limited, a subsidiary, maintains liability insurance for directors and officers of the Bridgepoint Group and associated companies, which includes the Company. This is a qualifying third party indemnity provision for the purpose of the Companies Act 2006.

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;

Bridgepoint Advisers Holdings

Directors' Report for the Year Ended 31 December 2020

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of engagement with suppliers, customers and others in a business relationship with the company

From the perspective of the directors of the Company, as a result of the group governance structure, the Group Board has taken the lead in carrying out the duties of the board in respect of its' shareholders, employees, fund investors and community engagement. An explanation of how the Group Board has carried out these responsibilities (for the Group and for the Company) is set out in the Annual Report and Financial Statements of Bridgepoint Group Limited.

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Approved by the Board on 25 June 2021 and signed on its behalf by:



P R Gunner
Director

Bridgepoint Advisers Holdings

Independent auditors' report to the members of Bridgepoint Advisers Holdings

Report on the audit of the financial statements

Opinion

In our opinion, Bridgepoint Advisers Holdings' financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2020; the Profit and Loss Account, the Statement of Comprehensive Income, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Bridgepoint Advisers Holdings

Independent auditors' report to the members of Bridgepoint Advisers Holdings

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

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

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of Directors' Responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Bridgepoint Advisers Holdings

Independent auditors' report to the members of Bridgepoint Advisers Holdings

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to manipulation of financial data or intentional bias in estimation with respect to the valuation of the investments and carried interest. Audit procedures performed by the engagement team included:

- Inspecting the underlying financial statements of various Bridgepoint funds to identify if there have been any adjustments made to the underlying reported investment valuations and if any are identified, inspecting the documentation supporting the adjustments and considering their appropriateness;
- Discussions with management, and review of relevant directors' meeting minutes, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Understanding of management's internal controls designed to prevent and detect irregularities;
- Testing journal entries, and with a focus on journals with unusual account combinations based on our understanding of the business; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Bridgepoint Advisers Holdings

Independent auditors' report to the members of Bridgepoint Advisers Holdings

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Richard McGuire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
25 June 2021

Bridgepoint Advisers Holdings

Profit and Loss Account for the Year Ended 31 December 2020

| | Note | 2020 £ 000 | 2019 £ 000 |
|--|------|---------------|---------------|
| Income from shares in group undertakings | | 47 | 16 |
| Total turnover | | 47 | 16 |
| Fees payable | | (50) | (50) |
| Administrative expenses | | (271) | (1,202) |
| Net foreign exchange gains/ (losses) | | 8,086 | (6,595) |
| Operating profit/(loss) | | 7,812 | (7,831) |
| Profits on investments | | 34,448 | 37,760 |
| Profit before interest and tax | 4 | 42,260 | 29,929 |
| Interest receivable and similar income | | 1,716 | 3,884 |
| Interest payable and similar expenses | | (2,092) | (720) |
| Profit before tax | | 41,884 | 33,093 |
| Tax on profit | 5 | (1,359) | (7,551) |
| Profit for the financial year | | 40,525 | 25,542 |

The results above relate to continuing operations.

The notes on pages 12 to 31 form an integral part of these financial statements.

Bridgepoint Advisers Holdings

Statement of Comprehensive Income for the Year Ended 31 December 2020

| | Note | 2020 £ 000 | 2019 £ 000 |
|---|------|---------------|---------------|
| Profit for the year | | 40,525 | 25,542 |
| Other comprehensive income: | | | |
| Other comprehensive income for the year, net of tax | | <u>-</u> | <u>-</u> |
| Total comprehensive income for the year | | <u>40,525</u> | <u>25,542</u> |

The notes on pages 12 to 31 form an integral part of these financial statements.

Bridgepoint Advisers Holdings
(Registration number: 1899316)
Balance Sheet as at 31 December 2020

| | Note | 2020 £ 000 | 2019 £ 000 |
|--|------|------------------|-----------------|
| Fixed assets | | | |
| Investment in subsidiaries | 8 | 26,330 | 25,125 |
| Other investments | 9 | 159,949 | 112,639 |
| Carried interest receivable | 10 | <u>15,091</u> | <u>16,313</u> |
| | | <u>201,370</u> | <u>154,077</u> |
| Current assets | | | |
| Debtors: amounts falling due within one year | 11 | 193,131 | 46,477 |
| Cash at bank and in hand | | <u>2,576</u> | <u>161</u> |
| | | 195,707 | 46,638 |
| Current liabilities | | | |
| Creditors: amounts falling due within one year | 12 | (229,569) | (120,262) |
| Loans and borrowings | 13 | <u>(89,566)</u> | <u>(23,036)</u> |
| Net current liabilities | | <u>(123,428)</u> | <u>(96,660)</u> |
| Total assets less current liabilities | | <u>77,942</u> | <u>57,417</u> |
| Net assets | | <u>77,942</u> | <u>57,417</u> |
| Capital and reserves | | | |
| Called up share capital | 16 | 5,329 | 5,329 |
| Retained earnings | | <u>72,613</u> | <u>52,088</u> |
| Total equity | | <u>77,942</u> | <u>57,417</u> |

The financial statements on Pages 8 to 31 were approved and authorised by the Board of Directors on 25 June 2021 and signed on its behalf by:



P R Gunner
Director

The notes on pages 12 to 31 form an integral part of these financial statements.

Bridgepoint Advisers Holdings

Statement of Changes in Equity for the Year Ended 31 December 2020

| | Note | Called up share capital £ 000 | Retained earnings £ 000 | Total equity £ 000 |
|----------------------------|------|-------------------------------------|-------------------------------|-----------------------|
| At 1 January 2019 | | 5,329 | 26,546 | 31,875 |
| Profit for the year | | - | 25,542 | 25,542 |
| Other comprehensive income | | - | - | - |
| Total comprehensive income | | - | 25,542 | 25,542 |
| At 31 December 2019 | | 5,329 | 52,088 | 57,417 |

| | Called up share capital £ 000 | Retained earnings £ 000 | Total equity £ 000 |
|----------------------------|-------------------------------------|-------------------------------|-----------------------|
| At 1 January 2020 | 5,329 | 52,088 | 57,417 |
| Profit for the year | - | 40,525 | 40,525 |
| Other comprehensive income | - | - | - |
| Total comprehensive income | - | 40,525 | 40,525 |
| Dividends paid | - | (20,000) | (20,000) |
| At 31 December 2020 | 5,329 | 72,613 | 77,942 |

The notes on pages 12 to 31 form an integral part of these financial statements.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

The Company is a private company limited by shares, incorporated and domiciled in the United Kingdom. The address of its registered office is 95 Wigmore Street, London W1U 1FB, England.

2 Statement of compliance

The individual financial statements of the Company have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a Basis of preparation

These financial statements have been prepared under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through profit or loss, as when it is required by FRS 102. The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Company's accounting policies. Other than the determination of the fair value of the carried interest receivable and investments measured at fair value, the Directors do not consider the financial statements to have any critical estimates or matters requiring significant judgement.

b Consolidation

Under section 400 and 401 of the Companies Act 2006, the Company is exempt from the requirement to prepare consolidated accounts as it is itself a subsidiary undertaking and it is a wholly-owned subsidiary of Bridgepoint Group Limited, a company incorporated within the United Kingdom, which prepares consolidated accounts that include the Company and its subsidiaries.

c Going concern

Whilst the Company has net current liabilities as a result of its activity as an investor in funds managed by Bridgepoint and as a holding company for the Group's subsidiaries, it is well capitalised and has access to a £125m banking facility and pooled cash generated by subsidiary companies should the Company or the Group require liquidity. The Company's borrowings are typically drawn for short durations as the facility is used for Group working capital purposes. They can be rolled forward subject to continued compliance with banking covenants and up to the date that the facility terminates (October 2023).

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

d Exemption under Financial Reporting Standards

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of the exemptions by the Company's shareholders. The Company has taken advantage of the following exemptions:

Cash Flow Statement - The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12 (b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Atlantic Investments Holdings Limited, and intermediate holding company, Bridgepoint Group Limited, includes the Company's cash flows in their own consolidated financial statements.

Related Party Transactions - Under FRS 102 33.1.A, the Company is exempt from the requirement to disclose related party transactions within the Bridgepoint Group on the grounds that 100% of the voting rights are controlled within the group. Transactions with the ultimate parent company and other shareholders of the Bridgepoint Group are not exempt and are disclosed, if any.

e Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Current or deferred taxation assets and liabilities are not discounted.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

f Foreign currency transactions and balances

The Company's functional and presentation currency is the pound sterling. These financial statements are presented in pound sterling and rounded to thousands.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to sterling at rates current at the year-end.

All differences are taken to the Profit and Loss Account.

g Revenue recognition

Income and expenses are recognised in the Profit and Loss Account and the Statement of Comprehensive Income on an accruals basis.

Income from shares in group undertakings comprises dividend income. Income from investments in Limited Partnerships comprises distributions. Other income comprises annual share from Limited Partnerships. Such income is recognised when the right to receive payment is established.

h Interest income and expense

Interest income is recognised using the effective interest rate method.

Credit facility arrangement fees are capitalised and amortised to the Profit and Loss Account using the effective interest method over the term of the facility

i Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held at call with banks.

j Debtors and creditors

Debtors and creditors are initially measured at transaction cost. They are short term receivables/payables relating to non-financing transactions and are subsequently measured at undiscounted amounts.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

k Carried interest receivable

The Company is an investor in Carried Interest Partnerships ('CIPs') which entitles it to receipts of carried interest from funds.

The initial recognition of carried interest is by its nature uncertain as it requires fund performance to exceed agreed thresholds. The carried interest receivable is initially recognised through the Profit and Loss Account as 'Profit on investments' once the first distribution of carried interest has been made by the CIP in accordance with the relevant partnership agreements. The carried interest receivable represents the expected income that the Group will receive from those funds whereby the fund performance has exceeded the relevant thresholds based upon the net asset value of the underlying fund, as determined by the manager of the fund and reassessed by the directors, considering all factors, information and data deemed to be pertinent at the reporting date.

l Financial Instruments

Financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Investments in managed funds

Investments representing interests in private equity and credit funds are initially recognised at fair value and subsequently measured at fair value through the Profit and Loss Account. The Group's undertakings are fair valued using the net asset value of the underlying fund determined by the Manager of the underlying fund. This is reassessed by the directors considering all factors, information and data deemed to be pertinent.

Investments within each fund are measured at fair value as determined in good faith by the Manager in accordance with the terms of the LPA of each fund and the International Private Equity and Venture Capital Valuation Guidelines ("IPEV") and are reviewed and approved by the relevant Bridgepoint Valuation Committees. The valuations provided by the Managers typically reflect the fair value of the Group's proportionate share of capital account balance of each investment as at 31 December 2020 or the latest available date.

Investments in subsidiary undertakings

Investments in subsidiary undertakings, that are not investment vehicles, are stated at cost less provision for any impairment. Provisions are only made where in the opinion of the directors there is an impairment in value.

The Company has an investment in certain subsidiaries which are investment vehicles such as limited partnerships whose primary function is to generate capital or income growth through holding investments. This category of subsidiary is held at fair value since they are managed on a fair value basis. Investments in subsidiaries (other than those measured at fair value) are initially recognised at cost and subsequently held at cost less any impairment charge.

Loan to subsidiaries

Loans to subsidiaries are financing transactions. They are measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument. Such assets are subsequently carried at amortised cost using the effective interest rate method.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

m Dividends

Dividends and other distributions to the Company's shareholder are recognised in the period in which the dividends and other distributions are approved by the shareholder. These amounts are recognised in the statement of changes in equity.

4 Operating profit

Arrived at after charging:

| | 2020 | 2019 |
|-----------------------------------|----------------|--------------|
| | £ 000 | £ 000 |
| Administrative expenses | 271 | 1,186 |
| Auditors' remuneration | - | 16 |
| Foreign exchange (gains) / losses | (8,086) | 6,595 |
| | <u>(7,815)</u> | <u>7,797</u> |

Auditors' remuneration of £16k is paid by another Group entity in 2020 (2019: £16k paid by the Company).

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Tax on profit

(a) Tax expense included in the Profit and Loss account

| | 2020 £ 000 | 2019 £ 000 |
|---|---------------|---------------|
| Current taxation: | | |
| UK corporation tax | 2,000 | 4,359 |
| UK corporation tax adjustment to prior periods | (4,359) | 657 |
| Total current tax | (2,359) | 5,016 |
| Deferred taxation: | | |
| Arising from origination and reversal of timing differences | 5,401 | 2,535 |
| Deferred tax adjustment to prior periods | (1,683) | - |
| Total deferred tax | 3,718 | 2,535 |
| Tax charge on profit | 1,359 | 7,551 |

(b) Reconciliation of tax charge

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK for the year ended 31 December 2020 of 19% (2019: 19%).

The differences are reconciled below:

| | 2020 £ 000 | 2019 £ 000 |
|---|---------------|---------------|
| Profit before tax | 41,884 | 33,093 |
| Corporation tax at standard rate in the UK of 19% (2019: 19%) | 7,958 | 6,288 |
| Timing differences | 5,273 | 2,535 |
| Expenses not deductible for tax purposes | 85 | 211 |
| Income not charged to UK corporation tax | (306) | (3,725) |
| Unrealised fair value movement in respect of investments | (5,766) | (3,378) |
| Tax losses utilised, net of losses carried forward | (952) | - |
| Adjustment in respect of prior years | (6,042) | 657 |
| Effect of tax rate changes | 128 | - |
| Income allocated by limited partnerships | 981 | 4,963 |
| | (6,599) | 1,263 |
| Total tax charges for the year | 1,359 | 7,551 |

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

6 Employees

The Company did not employ any personnel during the year (2019: none).

7 Directors' remuneration

None of the directors received any remuneration directly from the Company during the year (2019: none). Remuneration received by individual directors who are employed and paid by another group entity cannot be sensibly attributed across the entities for which each director is a director of.

8 Investments in subsidiaries

| | Subsidiary Undertakings £ 000 |
|----------------------------|-------------------------------------|
| At 1 January 2019 | 22,680 |
| Additions | 2,461 |
| Disposals | (11) |
| Foreign exchange impact | (5) |
| At 31 December 2019 | 25,125 |
| At 1 January 2020 | 25,125 |
| Additions | 1,071 |
| Disposals | - |
| Foreign exchange impact | 134 |
| At 31 December 2020 | 26,330 |

The Company has investments directly and indirectly in the following subsidiaries:

| Name | Address | Principal activity |
|----------------------------------|---|--|
| 101 Investments (GP) Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| 101 Investments Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| Atlantic GP 1 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Atlantic GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Atlantic GP LLP | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BBTPS (GP) Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BBTPS FP GP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Founder Partner to UK Limited Partnerships |
| BBTPS Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|---|---|---|
| BC II FP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| BC II FP SGP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BC GP 1 Limited (formerly BC II GP 1 Limited) | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BC GP 2 Limited (formerly BC II GP 2 Limited) | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BC II GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BC II GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BC II MLP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Managing Limited Partner to UK Limited Partnerships |
| BC AD GP SCS* | 21 Avenue Kléber, 75116 Paris, France | General Partner to French Limited Partnerships |
| BC BOCPIF GP SCS* | 21 Avenue Kléber, 75116 Paris, France | General Partner to French Limited Partnerships |
| BC Empire GP SCS* | 21 Avenue Kléber, 75116 Paris, France | General Partner to French Limited Partnerships |
| BC MLP UK Limited | 95 Wigmore Street, London, W1U 1FB, UK | Managing Limited Partner to UK Limited Partnerships |
| BC SMA Carry GP S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| BCO II Carry GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BCO III Carry GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BCLO Credit Investments I S.à r.l.* | 2 avenue Charles de Gaulle, L-1653 Luxembourg | CLO management company |
| BDC GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDC II (SGP) Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDC II FP GP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Founder Partner to UK Limited Partnerships |
| BDC II GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDC II Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| BDC II Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| BDC III GP 1 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BDC III GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BDC III GP LLP | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BDC III Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|--------------------------------|---|---|
| BDC III Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| BDC III SFP GP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Founder Partner to UK Limited Partnerships |
| BDC IV Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| BDC IV Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| BDC IV GP 1 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BDC IV GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BDC IV MLP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Managing Limited Partner to UK Limited Partnerships |
| BDC IV GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDC IV GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDC IV SFP GP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDC Special 1 Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BDC Special 2 Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BDC Special GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BDL I Carry GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BDL II Carry GP S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| BDL II GP SCS* | 21 Avenue Kléber, 75116 Paris, France | General Partner to French Limited Partnerships |
| BE Advisers S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | Private equity advisory company |
| BE II Investments (GP) Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BEP IV (Nominees) Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| BEP IV FP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Founder Partner to UK Limited Partnerships |
| BEP IV FP SGP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BEP IV GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BEP IV GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BEP IV GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BEP IV MLP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Managing Limited Partner to UK Limited Partnerships |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|--------------------------------------|---|---|
| BE V Germany GP Co Limited | 1 Royal Plaza, St Peter Port, Guernsey, GY1 2HL | General Partner to Guernsey Limited Partnership |
| BEV FP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Founder Partner to UK Limited Partnerships |
| BEV FP SGP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| BEV GP LLP | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BEV GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BEV GPC Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| BEV MLP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Managing Limited Partner to UK Limited Partnerships |
| BEV Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| BEV Nominees II Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| BE VI FP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| BE VI FP SGP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BE VI GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| BE VI GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BE VI GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Dormant entity |
| BE VI MLP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Managing Limited Partner to UK Limited Partnerships |
| BE VI Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| Bridgepoint AB | Mäster Samuelsgatan 1, 111 44 Stockholm, Sweden | Private equity advisory company |
| Bridgepoint Advantage Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Advantage FP Limited | 95 Wigmore Street, London, W1U 1FB, UK | Founder Partner to UK Limited Partnerships |
| Bridgepoint Advantage FP SGP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Advantage GP 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Advantage GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Advantage GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Advantage MLP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Managing Limited Partner to UK Limited Partnerships |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|--|---|--|
| Bridgepoint Advantage Nominees Limited | 95 Wigmore Street, London W1U 1FB, UK | Nominee company |
| Bridgepoint Advisers Europe Limited | 95 Wigmore Street, London, W1U 1FB, UK | Private equity advisory company |
| Bridgepoint Advisers II Limited | 95 Wigmore Street, London, W1U 1FB, UK | Private equity management company |
| Bridgepoint Advisers Limited | 95 Wigmore Street, London, W1U 1FB, UK | Private equity management company |
| Bridgepoint Advisers UK Limited | 95 Wigmore Street, London, W1U 1FB, UK | Private equity advisory company |
| Bridgepoint Capital (Doolittle) Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Capital (GP) Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to Delaware Partnership |
| Bridgepoint Capital (Nominees) Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| Bridgepoint Capital (Nominees) 2 Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| Bridgepoint Capital Delaware GP LP | One Rodney Square, 10th Floor, Tenth and King Streets, Wilmington, New Castle County, Delaware 19801, USA | General Partner to UK Limited Partnerships |
| Bridgepoint Capital Directorships Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Capital General Partner LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Capital General Partner II LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Capital Scottish GP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Capital Scottish GP II Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Capital Partners Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Capital Trustee Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint CLO I DAC* | 5th Floor the Exchange, George's Dock, Dublin 1, D01 W3P9, Ireland | CLO Designated Activity Company |
| Bridgepoint CLO II DAC* | 5th Floor the Exchange, George's Dock, Dublin 1, D01 W3P9, Ireland | CLO Designated Activity Company |
| Bridgepoint Credit AD GP S.à r.l.* | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| Bridgepoint Credit Advisers Limited | 95 Wigmore Street, London, W1U 1FB, UK | Credit fund advisory company |
| Bridgepoint Credit Advisers UK Limited* | 95 Wigmore Street, London, W1U 1FB, UK | Credit fund management company |
| Bridgepoint Credit BOCPIF GP S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| Bridgepoint Credit Carry GP LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Credit Carry LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Carry Partnership |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|---|---|--|
| Bridgepoint Credit Empire GP S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| Bridgepoint Credit Europe Limited | 95 Wigmore Street, London, W1U 1FB, UK | Credit fund advisory company |
| Bridgepoint Credit France SAS | 21 Avenue Kléber, 75116 Paris, France | Credit fund management company |
| Bridgepoint Credit GP Verwaltungs GmbH* | Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany | General Partner to German Partnerships |
| Bridgepoint Credit Holdings Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment Holding Company |
| Bridgepoint Credit Limited | 95 Wigmore Street, London, W1U 1FB, UK | Credit fund management company |
| Bridgepoint Credit Management Limited* | 95 Wigmore Street, London, W1U 1FB, UK | Credit fund management company |
| Bridgepoint Credit Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| Bridgepoint Credit Opportunities II GP GmbH & Co. KG* | Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany | General Partner to German Partnerships |
| Bridgepoint Credit Opportunities II GP Limited* | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Credit Opportunities II GP LP* | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Credit Opportunities III GP Limited* | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Credit Opportunities III GP LP* | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Credit Opportunities IV GP S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| Bridgepoint Credit Opportunities SICAV GP S.à r.l.* | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partners |
| Bridgepoint Credit Partners Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Credit Services S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | Credit fund advisory company |
| Bridgepoint Credit UK Limited | 95 Wigmore Street, London, W1U 1FB, UK | Credit fund advisory company |
| Bridgepoint Debt Funding Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Debt Management Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Debt Managers Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Development Capital Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Direct Lending II GP S.à r.l.* | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partners |
| Bridgepoint Direct Lending III GP S.à r.l. | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|--|--|--|
| Bridgepoint Europe (SGP) Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Europe III FP (GP) Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Founder Partner to UK Limited Partnerships |
| Bridgepoint Europe III (GP) Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Europe III GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Europe IV (Nominees) 1 Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Europe IV (Nominees) Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Europe IV FP (GP) Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Founder Partner to UK Limited Partnerships |
| Bridgepoint Europe IV General Partner LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Europe IV General Partner 'F' LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Europe Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Europe Managerial LLP | 95 Wigmore Street, London, W1U 1FB, UK | Limited partner to UK Limited Partnerships |
| Bridgepoint Finance Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint France SAS | 21 Avenue Kléber, 75116 Paris, France | Private equity management company |
| Bridgepoint GmbH | Neue Mainzer Straße 28, 60311 Frankfurt am Main, Germany | Private equity advisory company |
| Bridgepoint GP2 LLP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Group Holdings Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Growth I GP LLP | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Growth Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Growth Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |
| Bridgepoint Holdings Group Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Holdings Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Infrastructure Development Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Infrastructure Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint International Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|--|---|--|
| Bridgepoint Investment Consultants (Shanghai) Co Ltd | Shanghai One ICC, 999 Huaihai Road (Middle), 200031 Shanghai, China | Private equity advisory company |
| Bridgepoint Loan Fund GP GmbH & Co. KG* | Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany | General Partner to German Partnerships |
| Bridgepoint Loan Fund GP S.à r.l.* | 2 avenue Charles de Gaulle, L-1653 Luxembourg | General Partner to Luxembourg Limited Partnerships |
| Bridgepoint Netherlands BV | Honthorststraat 16H, 1071 DE Amsterdam, The Netherlands | Private equity advisory company |
| Bridgepoint SAS | 21 Avenue Kléber, 75116 Paris, France | Private equity advisory company |
| Bridgepoint Portfolio Services SAS | 21 Avenue Kléber, 75116 Paris, France | Private equity advisory company |
| Bridgepoint Private Equity Group Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| Bridgepoint Private Equity Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Property Advisers Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Property Development Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Real Estate Advisers Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Real Estate Development Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Real Estate Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Real Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint SA | Calle Rafael Calvo 39A-4º, 28010 Madrid, Spain | Private equity advisory company |
| Bridgepoint Services Sàrl | 2 avenue Charles de Gaulle, L-1653 Luxembourg | Private equity advisory company |
| Bridgepoint Sp Zoo | Marszałkowska 126/134, 00-008 Warsaw, Poland | Private equity advisory company |
| Bridgepoint Sp Zoo sp.k | Marszałkowska 126/134, 00-008 Warsaw, Poland | Private equity advisory company |
| Bridgepoint Structured Credit Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Team Paris S.à r.l. | 153-155, rue du Kiem, L-8030 Strassen, Luxembourg | Dormant entity |
| Bridgepoint US Holdco Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Bridgepoint Ventures Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Investments in subsidiaries (continued)

| | | |
|-----------------------------------|---|---|
| Bridgepoint, LLC | 10 East 53rd St. 28th Floor, New York, NY 10022, USA | Private equity advisory company |
| Credit France SAS | 21 rue La Pérouse – 75116 Paris, France | Credit France management company |
| George Town (Nominees) Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Horninghaven Limited | 95 Wigmore Street, London, W1U 1FB, UK | Dormant entity |
| Horningway Limited | 95 Wigmore Street, London, W1U 1FB, UK | General Partner to UK Limited Partnerships |
| HPE II GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| HPE SGP Limited | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| LORAC 5 Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC 6 Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC BC Co-Investment Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC BDC III Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC BDC Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC BEP IV Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC BE VI Co-investment Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC BG I Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC Eagle Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| LORAC KITE Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment holding company |
| New HPE II GP LP | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | General Partner to UK Limited Partnerships |
| Opal Investments LP ** | 50 Lothian Road, Edinburgh, EH3 9WJ, UK | Investment holding partnership |
| PEPCO Services LLP | 95 Wigmore Street, London, W1U 1FB, UK | Collective purchasing negotiator |
| Ruby Germany GP Limited | 1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL | General Partner to Guernsey Limited Partnership |
| Ruby Investments (UK) Limited | 95 Wigmore Street, London, W1U 1FB, UK | Investment company |
| Throttle Nominees Limited | 95 Wigmore Street, London, W1U 1FB, UK | Nominee company |

*Acquired from EQT AB following the acquisition of the EQT Credit business in October 2020

** Investment in limited partnership where the Group has control. A related party investor has the right to receive up to 100% of the profits from the partnership unless the Group exercises an option to benefit from up to 85% of the profits from the date of exercise. Effective 31 December 2020, the option was exercised.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

9 Other investments

| | Other Investments £ 000 |
|----------------------------|--|
| At 1 January 2019 | 21,159 |
| Additions | 127,881 |
| Disposals | (38,010) |
| Change in fair value | 6,689 |
| Foreign exchange impact | (5,080) |
| At 31 December 2019 | 112,639 |
| At 1 January 2020 | 112,639 |
| Additions | 47,245 |
| Disposals | (41,402) |
| Change in fair value | 35,421 |
| Foreign exchange impact | 6,046 |
| At 31 December 2020 | 159,949 |

Other investments, which are held at fair value, primarily consist of commitments made in relation to Bridgepoint fund vehicles and related investor co-investment vehicles. These include investments within the Bridgepoint Europe VI, BDC III, Bridgepoint Credit I, II, Direct Lending I, II and Credit Opportunities III funds. Other investments also includes investments made by the Company into entities which are the Founder Partner to Bridgepoint fund vehicles.

The Company has an investment in Opal Investments LP, which is an investor in the Bridgepoint Europe V Fund partnerships. Under the limited partnership agreement, a third party had the right to receive up to 100% of the profits from the partnership unless the Group exercised an option to trigger up to 85% of the profits of the partnership from the date of the exercise of the option. Effective 31 December 2020, the option was exercised therefore 85% of current year and accumulated prior year profits from the partnership have been recognised by the Company within the profit and loss account as profits on investments.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

10 Carried interest receivable

| | 2020 £ 000 | 2019 £ 000 |
|----------------------------|---------------|---------------|
| As at 1 January | 16,313 | 1,564 |
| Additions | 1,129 | 42,060 |
| Change in value | (1,024) | 30,692 |
| Disposals | (2,008) | (55,878) |
| Foreign exchange movements | 681 | (2,125) |
| As at 31 December | 15,091 | 16,313 |

The Company is entitled to receive carried interest, once triggered, from Bridgepoint Europe IV FP LP, BDC II FP LP, BBTPS FP LP, Bridgepoint Capital General Partner LP and Bridgepoint Capital General Partner II LP, limited partnerships incorporated and registered in Scotland.

11 Debtors

| | 2020 £ 000 | 2019 £ 000 |
|-------------------------------------|----------------|---------------|
| Amounts due within one year: | | |
| Amounts owed by group undertakings | 184,398 | 41,833 |
| Other debtors | 4,338 | 2,099 |
| Prepayments and accrued income | 4,395 | 2,545 |
| | 193,131 | 46,477 |

Amounts owed by group undertakings represent short term receivables due from the shareholders and other group entities. Of this, £41.5m (2019: £41.6m) represents receivable due from a loan to Opal Investments LP. This is repayable on demand and accrues interest. The remaining amounts are unsecured, interest free, have no fixed date of repayments and are payable on demand.

12 Creditors: amounts falling due within one year

| | 2020 £ 000 | 2019 £ 000 |
|------------------------------------|----------------|----------------|
| Amounts owed to group undertakings | 216,450 | 110,333 |
| Other creditors | 12,517 | 9,929 |
| Accruals and deferred income | 602 | - |
| | 229,569 | 120,262 |

Amounts owed to group undertakings comprise payments made by another group entity on behalf of the Company. These amounts are unsecured, interest free, have no fixed date of repayments and are payable on demand.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

13 Loans and borrowings

| | 2020 £ 000 | 2019 £ 000 |
|----------------------|---------------|---------------|
| Loans and borrowings | 89,566 | 23,036 |

On 17 May 2017, the Company entered into a Revolving Credit Arrangement for €30m for a period of 30 months. On 14 November 2019 the facility tenure was extended to the end of March 2020, and was subsequently increased to a €60m facility on 25 March 2020 for a period of 30 months. On 19 October 2020, a new facility was put in place for £125m for a period of three years. At 31 December 2020, £90.7m had been drawn (2019: £23.0m).

Loans and borrowings balances include capitalised arrangement fees which are being amortised to the Profit and Loss Account using the effective interest method over the term of the facility.

14 Financial instruments

| | 2020 £ 000 | 2019 £ 000 |
|--|----------------|----------------|
| <u>Financial Assets</u> | | |
| Loan provided to subsidiary at amortised cost | 41,536 | 41,642 |
| Investments measured at fair value through Profit and Loss | 159,949 | 112,639 |
| Investments measured at lower of cost and impairment | 26,330 | 25,125 |
| | <u>227,815</u> | <u>179,406</u> |

15 Financial risk management

Market risk

Market risk is the potential for changes in value of the underlying financial instruments and accompanies the potential for both losses and gains. The Company's unquoted investments are susceptible to market risk arising from uncertainties about future values of the investments. The Company's subsidiaries manages the acquisition and divestment of private equity investments and monitors the performance of investments held by the Company on an ongoing basis.

The Company's investments and loans may be in currencies other than the functional currency. The Company manages this risk through funding its investment in the underlying currency. Additionally, the Company may use FX forward and swap agreements to reduce the currency exposure.

For illustrative purposes, for the year ended 31 December 2020, a change of +/-10% in the fair value of investments would have resulted in a change in the Company's fair value of +/- £17.5 million. The analysis is designed solely to give an indication of the impact of certain changes to the Company's fair value.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

15 Financial risk management (continued)

Credit risk

Credit risk is the risk that a counterparty will be unable to meet their obligations in full, when due. Potential areas of credit risk consist of cash and cash equivalents, including deposits with banks and financial institutions, short-term receivables and investments, including bonds issued by a subsidiary company. The maximum exposure to credit risk at the reporting date of these financial assets is their carrying amount. The Company limits its exposure in relation to cash balances by only dealing with well-established financial institutions of high quality credit standing.

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due. Along with its cash reserves, the Company has the use of a Revolving Credit Facility, to assist in managing liquidity. The risk is not considered to be material as the majority of the balances are held with other Group companies.

16 Called up share capital

Authorised

| | 2020 | | 2019 | |
|----------------------------|------------------|--------------|------------------|--------------|
| | No. | £ 000 | No. | £ 000 |
| Ordinary Shares of £1 each | <u>5,329,000</u> | <u>5,329</u> | <u>5,329,000</u> | <u>5,329</u> |

Allotted, called up and fully paid shares

| | 2020 | | 2019 | |
|----------------------------|------------------|--------------|------------------|--------------|
| | No. | £ 000 | No. | £ 000 |
| Ordinary Shares of £1 each | <u>5,329,000</u> | <u>5,329</u> | <u>5,329,000</u> | <u>5,329</u> |

The shares have the rights and restrictions as set out in the Articles of Association of the Company.

17 Dividends

The Company paid a dividend of £20.0m (2019: £Nil) in January 2020 which equates to £3.75 per share.

Bridgepoint Advisers Holdings

Notes to the Financial Statements for the Year Ended 31 December 2020

18 Parent and ultimate parent undertaking

The Company's immediate parent is Bridgepoint Advisers Group Limited, incorporated in England, United Kingdom.

The parent of the largest group in which these financial statements are consolidated is Atlantic Investments Holdings Limited, incorporated in England, United Kingdom.

The parent of the smallest group in which these financial statements are consolidated is Bridgepoint Group Limited, incorporated in England, United Kingdom.

These financial statements are available from Companies House, Crown Way, Cardiff.