Company Number: 06409662

# ELQ HOLDINGS (UK) LTD

# ANNUAL REPORT

# 31 DECEMBER 2020

## STRATEGIC REPORT

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

### 1. Introduction

The principal activity of ELQ Holdings (UK) Ltd (the company) is to undertake investment business. The company holds investments in subsidiary undertakings which hold investments in private equity and real estate assets.

The company's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. (Group Inc.). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System. In relation to the company, 'group undertaking' means Group Inc. or any of its subsidiaries. Group Inc., together with its consolidated subsidiaries, form 'GS Group'. GS Group is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals.

The company primarily operates in a U.S. dollar environment as part of GS Group. Accordingly, the company's functional currency is the U.S. dollar and these financial statements have been prepared in that currency.

### 2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2020. Comparative information has been presented for the year ended 31 December 2019.

The directors consider profit before taxation, total assets and total liabilities as the company's key performance indicators.

The results for the year are shown in the profit and loss account on page 8. Profit before taxation for the year ended 31 December 2020 was US$83.9 million (2019: US$951.1 million).

The company had total assets of US$420.5 million as at 31 December 2020 (31 December 2019: US$506.8 million) and total liabilities of US$103.7 million as at 31 December 2020 (31 December 2019: US$123.8 million).

### 3. Exchange rate

The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US$1.3653 (31 December 2019: £ / US$1.3265). The average rate for the year was £ / US$1.2924 (2019: £ / US$1.2792).

### 4. Future outlook and going concern

The directors consider that the year end financial position of the company was satisfactory and do not anticipate any significant changes in its activities in the forthcoming year. The company has not incurred any material financial impact associated with COVID-19 and on the basis that no significant changes in its activities are expected the directors do not foresee any future impact.

### 5. Principal risks and uncertainties

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. The company is also exposed to risk of decline in value of certain assets, primarily investments in subsidiary undertakings. The company also has limited exposure to operational, legal, regulatory and compliance risks. The company, as part of a global group, adheres to global risk management policies and procedures. The company's risk management objectives and policies are described in note 20 of the financial statements.

**STRATEGIC REPORT (continued)**

**6. Principal decision making and stakeholder engagement**

The directors of the company carry out their duties in a way that they consider, in good faith, would be most likely to promote the success of the company for the benefit of GS Group as a whole, and in doing so have regards (amongst other matters) to:

a) the likely consequences of any decision in the long term;

b) the impact of the company's operations on the community and the environment; and

c) the desirability of the company to maintain a reputation for high standards of business conduct.

In meeting the requirements under section 172 of the Companies Act 2006 the Board is guided by the Code of Business Conduct and Ethics and the risk and governance framework of GS Group and considers the views of key stakeholders when making decisions that influence the company's current and future operations and reputation. The directors of the company receive information on a variety of topics that assist them in their oversight of the company's business.

**7. Date of authorisation of issue**

The strategic report was authorised for issue by the Board of Directors on 28 September 2021.

**ON BEHALF OF THE BOARD**

Jeremy A Wiltshire
Director

## DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2020.

### 1. Introduction

In accordance with section 414A of the Companies Act 2006, the directors have prepared a strategic report, which contains a review of the company's businesses and a description of the principal risks and uncertainties facing the company. The directors have chosen to make reference to the company's risk management objectives and policies, as well as exposures to market risk, credit risk and liquidity risk in the strategic report, as well as future outlook in accordance with section 414C (11) of the Companies Act 2006, that would otherwise have been reported in the directors' report. The directors have also chosen to make reference to the requirements of Section 172(1) in the strategic report in accordance with section 414C (11).

### 2. Dividends

The directors declared and paid an interim dividend of US$150.0 million (31 December 2019: US$1,601.5 million). The directors do not recommend the payment of a final dividend in respect of the year (31 December 2019: US$nil).

### 3. Disclosure of information to auditors

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and

- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### 4. Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

### 5. Directors

The directors of the company who served throughout the year and to the date of this report, except where noted, were:

| Name | Appointed | Resigned |
|---|---|---|
| M. Bradford | 4 December 2020 | |
| G. G. Olafson | | 4 December 2020 |
| R. M. Thomas | | |
| J. A. Wiltshire | | |

No director had, throughout the year, any interest requiring note herein.

**DIRECTORS' REPORT (continued)**

6. **Statement of directors' responsibilities in respect of the financial statements**

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the company and to 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.

7. **POST BALANCE SHEET EVENTS**

In March 2021, the company received US$165.2 million from its subsidiary undertaking GS Capital Funding Ltd as preference dividend and return of capital. The company used the proceeds to pay a dividend to its parent undertaking of US$78.0 million and repaid US$87.2 million of its long-term loan due to a group undertaking.

In June 2021, the company reduced its redeemable share capital from US$219.0 million to US$1.0 million creating reserves of an equal amount.

In August 2021, the company sold its investment in ELQ Investors IV Ltd to a fellow group undertaking for a total consideration of US$79.4 million, realising a gain of US$45.4 million. The proceeds were used to pay a dividend to the company's parent undertaking.

8. **Date of authorisation of issue**

The financial statements were authorised for issue by the Board of Directors on 28 September 2021

**ON BEHALF OF THE BOARD**

Jeremy A Wiltshire
Director

## Independent auditors' report to the members of ELQ Holdings (UK) Ltd

### Report on the audit of the financial statements

**Opinion**

In our opinion, ELQ Holdings (UK) Ltd's 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 101 "Reduced Disclosure Framework", 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, which comprise: the balance sheet as at 31 December 2020; the profit and loss account and 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.

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.

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 the potential for management to manipulate the value of the investments in subsidiary undertakings and share of income from these subsidiary undertakings and through the posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Using our data auditing tools to identify manual journals with a higher inherent risk of fraud, and obtaining appropriate audit evidence to support these journals;
- Performing risk assessment analytical procedures to identify any unusual or unexpected relationships, transactions outside the normal course of business or that may be indicative of a material misstatement due to fraud;
- Reading minutes of meetings of those charged with governance; and
- Performing testing over manual journals based on specific risk parameters to address the risk of fraud through management override of controls and considering any impairment triggers to mitigate the risk of investments in subsidiaries being potentially overstated.

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.

**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.

Hannah Solway (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
1 October 2021

## PROFIT AND LOSS ACCOUNT

### for the year ended 31 December 2020

| | Note | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|---|
| Net revenues | 4 | (13,992,866) | - |
| Administrative expenses | 5 | (7,935,500) | (1,194,673) |
| Income from shares in subsidiary undertakings | 6 | 102,429,678 | 11,233,624 |
| Interest receivable and similar income | 7 | 4,630,704 | 6,170,090 |
| Interest payable and similar expenses | 8 | (1,245,517) | - |
| **OPERATING PROFIT** | | 83,886,499 | 16,209,041 |
| Gain on sale of subsidiary undertaking | | - | 934,870,254 |
| **PROFIT BEFORE TAXATION** | | 83,886,499 | 951,079,295 |
| Tax on profit | 11 | (107,407) | (58,967) |
| **PROFIT FOR THE FINANCIAL YEAR** | | 83,779,092 | 951,020,328 |

The profits of the company are derived from continuing operations in the current and prior years.

The company has no recognised gains and losses other than those included in the profit and loss account for the years shown above and therefore no separate statement of comprehensive income has been presented.

The accompanying notes are an integral part of these financial statements.

## BALANCE SHEET

### as at 31 December 2020

| | Note | 31 December 2020 US$ | 31 December 2019 US$ |
|---|---|---|---|
| **FIXED ASSETS** | | | |
| Investments | 12 | 268,608,018 | 269,153,984 |
| **CURRENT ASSETS** | | | |
| Debtors: Amounts falling due within one year | 13 | 20,403,991 | 19,536,975 |
| Debtors: Amounts falling due after more than one year | 14 | 129,075,645 | 215,930,160 |
| Cash at bank and in hand | | 2,372,665 | 2,194,155 |
| | | 151,852,301 | 237,661,290 |
| **CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR** | 15 | (11,201,624) | (310,492) |
| **NET CURRENT ASSETS** | | 140,650,677 | 237,350,798 |
| **TOTAL ASSETS LESS CURRENT LIABILITIES** | | 409,258,695 | 506,504,782 |
| **CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR** | 16 | (92,456,214) | (123,481,393) |
| **NET ASSETS** | | 316,802,481 | 383,023,389 |
| **CAPITAL AND RESERVES** | | | |
| Called up share capital | 17 | 218,992,629 | 218,992,629 |
| Profit and loss account | | 97,809,852 | 164,030,760 |
| **TOTAL SHAREHOLDER'S FUNDS** | | 316,802,481 | 383,023,389 |

The financial statements were approved by the Board of Directors on 28 September 2021 and signed on its behalf by:

Jeremy A Wiltshire
Director

The accompanying notes are an integral part of these financial statements.

## STATEMENT OF CHANGES IN EQUITY

### for the year ended 31 December 2020

| | Note | Called up share capital US$ | Other reserves US$ | Profit and loss account US$ | Total shareholder's funds US$ |
|---|---|---|---|---|---|
| **Balance at 1 January 2019** | | 818,992,629 | 42,228,235 | 172,293,625 | 1,033,514,489 |
| Share capital reduction | | (600,000,000) | 600,000,000 | - | - |
| Dividends paid | 18 | | (642,228,235) | (959,283,193) | (1,601,511,428) |
| Profit for the financial year | | - | - | 951,020,328 | 951,020,328 |
| **Balance at 31 December 2019** | | 218,992,629 | - | 164,030,760 | 383,023,389 |
| Dividends paid | 18 | - | - | (150,000,000) | (150,000,000) |
| Profit for the financial year | | - | - | 83,779,092 | 83,779,092 |
| **Balance at 31 December 2020** | | **218,992,629** | - | **97,809,852** | **316,802,481** |

The directors declared and paid an interim dividend of US$150.0 million (31 December 2019: US$1,601.5 million). The directors do not recommend the payment of a final dividend in respect of the year (31 December 2019: US$nil).

The accompanying notes are an integral part of these financial statements.

## NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

### 1. GENERAL INFORMATION

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Plumtree Court, 25 Shoe Lane, London, EC4A 4AU, United Kingdom.

The immediate parent undertaking is GS Sapphire International Ltd., formerly known as GS Finance Europe PCC., a company incorporated and domiciled in Jersey. During September 2020, all of the company shares were transferred from ELQ Holdings (Del) LLC to GS Sapphire International Ltd.

The ultimate parent undertaking and the parent company of the smallest and largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated in the United States of America. Copies of its consolidated financial statements can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America, or at www.goldmansachs.com/investor-relations/.

### 2. 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 on the going concern basis, under the historical cost convention (modified as explained in note 2h) and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

Exemptions from the following disclosure requirements have been applied in the preparation of these financial statements, in accordance with FRS 101:

(i) IFRS 2 'Share-based Payment' paragraph 45(b) and 46 to 52. These disclosures are provided in the consolidated financial statements of Group Inc.;

(ii) IFRS 7 'Financial Instruments: Disclosures';

(iii) IFRS 13 'Fair Value Measurement' paragraphs 91-99;

(iv) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a)(iv);

(v) IAS 1 'Presentation of Financial Statements' paragraphs 10(d), 10(f), 16, 38A, 40A-D, 111;

(vi) IAS 7 'Statement of Cash Flows';

(vii) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;

(viii) IAS 24 'Related Party Disclosures' paragraph 17 and 18A; and

(ix) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within GS Group.

The company is a subsidiary undertaking of Group Inc., a company incorporated within the United States of America, whose consolidated financial statements include the company and are publicly available. As a result, the company has elected not to prepare consolidated financial statements as permitted by section 401 of the Companies Act 2006.

## 2. ACCOUNTING POLICIES (continued)

**b. Future Accounting Developments**

Amendments to IFRS 9 and IFRS 7:

On 27 August 2020, the IASB issued "Interest Rate Benchmark Reform – Phase 2" which provides optional relief for issues affecting financial reporting when changes are made to contractual cash flows of financial instruments or hedging relationships as a result reference rate reform. The company has not elected to early apply the reliefs available which are otherwise effective for period beginning on or after 1 January 2021. The company is currently assessing the impact of the adoption of these amendments on the consolidated financial statements.

**c. Revenue recognition**

Net revenues have been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities. Net revenue comprises changes in fair value from assets designated at fair value through profit or loss.

**d. Dividends**

Final dividends are recognised as a liability and deducted from equity in the period in which the dividends are approved by the company's shareholder. Interim dividends are recognised and deducted from equity when paid.

**e. Foreign currencies**

The company's financial statements are presented in U.S. dollars, which is also the company's functional currency. Transactions denominated in foreign currencies are translated into U.S. dollars at rates of exchange prevailing on the date the transaction occurred. Monetary assets and liabilities, denominated in foreign currencies are translated into U.S. dollars at rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account.

**f. Fixed asset investments**

Fixed asset investments comprises investments in subsidiary undertakings and is stated at cost less provision for any impairment. Dividends receivable are recognised when the right to receive payment has been established.

**g. Cash at bank and in hand**

Cash at bank and in hand is highly liquid overnight deposits held in the ordinary course of business.

**h. Financial assets and financial liabilities**

**(i) Recognition and derecognition**

Financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire or if the company transfers the financial asset and the transfer qualifies for derecogniton. A transferred financial asset qualifies for derecognition if the company transfers substantially all the risks and rewards of ownership of the financial asset or if the company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset but does not retain control. Financial liabilities are derecognised only when they are extinguished (i.e. when the obligation specified in the contract is discharged or cancelled or expires).

## 2. ACCOUNTING POLICIES (continued)

### h. Financial assets and financial liabilities (continued)

#### (ii) Classification and measurement

Financial assets comprise all of the company's current assets, and financial liabilities comprise all of the company's creditors (with the exception of tax assets and liabilities).

The company classifies financial assets into the below categories on the basis of both the company's business model for managing financial assets and the contractual cash flow characteristics of the financial assets. The business model reflects how the company manages particular groups of assets in order to generate future cash flows. Where the business model is to hold the assets to collect contractual cash flows, the company subsequently assesses whether the cash flows represent solely payments of principal and interest.

- **Financial assets measured at amortised cost**

  Financial assets that are held for the collection of contractual cash flows and have cash flows that represent solely payments of principal and interest are measured at amortised cost, unless they are designated at fair value through profit or loss. The company considers whether the cash flows represent basic lending arrangements and where contractual terms introduce exposure to risk or volatility inconsistent with a basic lending arrangement, the financial asset is classified and measured at fair value through profit or loss.

  Financial assets measured at amortised cost are initially measured at fair value plus transaction costs and subsequently at amortised cost using the effective interest method. The effective interest method is a method of calculating the amortised cost of a financial instrument and allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset or, when appropriate, a shorter period to the net carrying amount of the financial asset. When calculating the effective interest rate, the company estimates cash flows considering all contractual terms of the financial asset but does not consider future credit losses. All finance income is recognised in the profit and loss account.

  Financial assets measured at amortised cost comprises cash and cash equivalents, amounts falling due within one year and preference shares and long term loan receivable from group undertakings.

- **Financial assets mandatorily measured at fair value through profit or loss**

  Financial assets that do not meet the criteria for amortised cost are mandatorily measured at fair value through profit or loss. Such financial assets are initially measured at fair value and subsequently at fair value through profit or loss, with gains or losses recognised in net gains/(losses) on financial instruments at fair value.

  Financial assets mandatorily measured at fair value comprises mandatorily redeemable ordinary shares receivable from a group undertaking.

The company classifies its financial liabilities into the below categories. The classification, which is determined at initial recognition, depends on the purpose for which they were acquired or originated.

- **Financial liabilities designated at fair value through profit or loss**

  Financial liabilities designated at fair value through profit and loss comprise amounts due to group undertakings falling due after more than one year. These financial liabilities are designed at fair value as the intercompany multi-currency arrangements contain embedded foreign exchange features. Financial liabilities designated at fair value through profit or loss are initially measured at fair value with transaction costs expensed in profit or loss. They are measured in the balance sheet at fair value and all subsequent gains or losses are recognised in the profit and loss account.

## 2. ACCOUNTING POLICIES (continued)

### h. Financial assets and financial liabilities (continued)

#### (ii) Classification and measurement (continued)

- **Financial liabilities designated at fair value through profit or loss (continued)**

  Financial liabilities designated at fair value through profit or loss comprises amounts falling due after more than one year.

- **Financial liabilities measured at amortised cost**

  Financial liabilities measured at amortised cost are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method (see above). Finance costs, including discounts allowed on issue, are recorded in interest payable and similar expenses.

  Financial liabilities measured at amortised cost comprises amounts falling due within one year.

#### (iii) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet where there is:

(i) currently a legally enforceable right to set off the recognised amounts; and

(ii) intent to settle on a net basis or to realise the asset and settle the liability simultaneously.

Where these conditions are not met, financial assets and financial liabilities are presented on a gross basis on the balance sheet.

### i. Current and deferred tax

The tax expense comprises current and deferred tax. Tax is recognised in the profit and loss account.

Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all temporary differences that have originated, but not reversed at the balance sheet date, where transactions or events have occurred by that date that will result in an obligation to pay more tax or a right to pay less tax in the future with the following exceptions:

(i) Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which future reversal of the underlying temporary differences can be deducted.

(ii) Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### j. Share capital

Ordinary share capital and redeemable equity are classified as equity.

## 3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in these financial statements. The nature of estimation means that actual outcomes could differ from those estimates. In the opinion of management, there were no judgements, estimates or assumptions made that had a significant effect on amounts recognised in the financial statements.

## 4. NET REVENUES

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| Net losses on financial instruments at fair value (see note 14) | 13,992,866 | - |
| | **13,992,866** | - |

## 5. ADMINISTRATIVE EXPENSES

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| Legal and professional fees | 7,911,768 | 659,781 |
| Auditors' remuneration - audit services | 37,105 | 634,295 |
| Other expenses | 43,085 | 22,143 |
| Foreign exchange gains | (56,458) | (121,546) |
| | **7,935,500** | **1,194,673** |

In the current year, auditors' remuneration comprised fees for the company's audit of £30,000 (US$37,105) (2019: £40,000 (US$51,105)). In the prior year, auditors' remuneration also included fees borne by the company on behalf of fellow group undertakings.

## 6. INCOME FROM SHARES IN SUBSIDIARY UNDERTAKINGS

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| Dividend income | 102,429,678 | 11,233,624 |
| | **102,429,678** | **11,233,624** |

In the current year, the company received dividend income totalling US$102.4 million (2019: US$11.2 million) from subsidiary undertakings. This comprised US$100.8 million (2019: US$nil) from Victor Acquisitions Limited and US$1.7 million (2019: US$10.4 million) from ELQ UK Properties Ltd. Additionally, in the prior year, dividends from subsidiary undertakings also included US$0.3 million from White Pillar Properties Limited and US$0.5 million from Neon Acquisition Limited.

## 7. INTEREST RECEIVABLE AND SIMILAR INCOME

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| Interest on long-term loan due from group undertaking (see note 14) | 1,288,082 | 2,220,238 |
| Dividend on junior preferred shares (see note 14) | 3,342,622 | 3,949,852 |
| | **4,630,704** | **6,170,090** |

## 8. INTEREST PAYABLE AND SIMILAR EXPENSES

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| Interest on long-term loan due to group undertaking (see note 16) | 1,245,517 | - |
| | **1,245,517** | **-** |

## 9. STAFF COSTS

As in the prior year, the company has no employees. All persons involved in the company's operations are employed by group undertakings and no costs are borne by the company.

## 10. DIRECTORS' EMOLUMENTS

The directors did not receive any remuneration from the company in the current or prior years and no contributions were made by the company under defined benefit or defined contribution pension schemes. The directors are employed by other group undertakings and their remuneration is borne by those companies and not re-charged. The directors do not consider that more than an incidental amount of their remuneration relates to the qualifying services provided to the company.

## 11. TAX ON PROFIT

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| **Current tax:** | | |
| U.K. corporation tax | 114,925 | 58,967 |
| Adjustments in respect of prior periods | (7,518) | - |
| **Total current tax** | **107,407** | **58,967** |

The table below presents a reconciliation between tax on profit and the amount calculated by applying the standard rate of U.K. corporation tax applicable to the company for the year of 19% (2019: 19%) to the profit before taxation.

| | Year ended 31 December 2020 US$ | Year ended 31 December 2019 US$ |
|---|---|---|
| Profit before taxation | 83,886,499 | 951,079,295 |
| Profit before taxation multiplied by the standard rate in the U.K. of 19% (2019: 19%) | 15,938,435 | 180,705,066 |
| Non-taxable dividend income | (19,461,639) | (2,134,388) |
| Permanent differences | 3,767,940 | (842,431) |
| Non-taxable gains on sale of subsidiary undertakings | - | (177,625,348) |
| Exchange differences and other | (7,443) | 7,517 |
| Losses brought forward utilised this year | (122,368) | (51,449) |
| Adjustments in respect of prior periods | (7,518) | - |
| **Total tax on profit** | **107,407** | **58,967** |

The company has carried forward losses of US$16.0 million for which no deferred tax asset has been recognised in the financial statements as there is uncertainty whether the company will generate suitable taxable profits in the future against which the deferred tax asset can be recovered.

## 12. FIXED ASSET INVESTMENTS

Fixed asset investments, which are unlisted and stated at cost less provision for any impairment, comprise investments in subsidiary undertakings:

| | Cost and net book value |
|---|---|
| | US$ |
| At 1 January 2019 | 934,562,178 |
| Additions | 1,240,175 |
| Disposals and Distributions | (666,648,369) |
| **At 31 December 2019** | **269,153,984** |
| Additions | 34,000,000 |
| Disposals and Distributions | (34,545,966) |
| **At 31 December 2020** | **268,608,018** |

During the year the following key additions, disposals and distributions took place:

(i) The company was allotted 34.0 million ordinary shares of US$1 each in ELQ Investors IV Limited for a total consideration of US$34 million.

(ii) The company was allotted 1 ordinary share of US$0.01 each in ELQ Derivative Ltd for a total consideration of US$0.01.

(iii) The company received a distribution of US$135.3 million from Victor Acquisitions Limited. It was determined that the distribution represented a part return of capital and as such the company reduced its investment by US$ 34.5 million (see note 6).

The subsidiaries over which the company exercises control via ordinary shares held directly by the company at the year end, are:

| Name of company | Nature of business | Proportion of nominal value held | Class of shares held |
|---|---|---|---|
| ELQ Investors IV Ltd[1] | Investment company | 100% | Ordinary shares |
| ELQ Investors VII Ltd[1] | Investment company | 100% | Ordinary shares |
| GS Capital Funding Ltd[7] | Investment company | 100% | Ordinary shares |
| Victor Acquisitions Limited[1] | Investment company | 100% | Ordinary shares |
| ELQ Derivative Ltd[9] | Investment company | 100% | Ordinary shares |
| Falko SAS[2] | Dormant | 100% | Ordinary shares |

## 12. FIXED ASSET INVESTMENTS (continued)

The subsidiaries over which the company exercises control via ordinary shares held by subsidiary undertakings at the year end, are:

| Name of company | Nature of business | Proportion of nominal value held | Class of shares held |
|---|---|---|---|
| Ainscough Holdings Limited[1] | Investment company | 100% | B shares, C shares, ordinary shares |
| Sicilla Holding Ltd[1] | Investment company | 100% | A shares |
| ELQ Investors III Ltd[1] | Investment company | 100% | Ordinary shares |
| ELQ Investors XI Ltd[1] | Investment company | 100% | Ordinary shares |
| Fair Zero S.à.r.l.[3] | Investment company | 100% | Ordinary shares |
| Gateway Acquisitions APS[5] | Investment company | 91.26% | Ordinary shares |
| GS International Funding[7] | Investment company | 100% | Ordinary shares |
| GP Offices & Apartments S.R.L.[6] | Holds real estate | 100% | Ordinary shares |
| GS Sapphire Holding Limited[1] | Investment company | 100% | Ordinary shares |
| GS Sapphire Investment Limited[1] | Investment company | 100% | Ordinary shares |
| Kensington Row Property Limited[4] | Investment company | 100% | Ordinary shares |
| Rodovre City 2 P/S[8] | Holds real estate | 100% | Ordinary shares |
| Rodovre GP APS[8] | Holds real estate | 100% | Ordinary shares |
| Rodovre JVCO APS[8] | Holds real estate | 89.63% | A shares |
| Sviluppo Comparto 5 S.R.L.[6] | Holds real estate | 100% | Ordinary shares |
| Tophat Enterprises Ltd[10] | Holds real estate | 64.08% | Ordinary shares |
| Yoram Limited[11] | Dormant | 100% | Ordinary shares |

**Registered office address at:**

[1] Plumtree Court, 25 Shoe Lane, London, EC4A 4AU, United Kingdom

[2] 78 Avenue Raymond Poincare, Paris, 75116, France

[3] 2 Rue de Fosse, L-1536, Luxembourg

[4] 55 Baker Street, London, W1U 7EU, United Kingdom

[5] Rued Langgards Vej8,5, 2300, Copenhagen, Denmark

[6] Corso Vercelli 40, 20145, Milan, Italy

[7] P.O Box 309 Ugland House, KY1-1104, Cayman Islands

[8] Ostergade 1,1., 1100, Kobenhavn K, Denmark

[9] 22, Grenville Street, St Helier, Jersey

[10] P.O Box 87, 22 Grenville st, St. Helier, Jersey, Channel Island, United Kingdom

[11] NCR building, 6th floor, 6 Broad Street, Lagos, Nigeria

## 13. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 December 2020 US$ | 31 December 2019 US$ |
|---|---|---|
| Accrued dividend on junior preferred shares (see note 14) | 14,515,632 | 11,173,010 |
| Amounts due from group undertaking | 4,192,752 | 7,778,172 |
| Accrued interest on long-term loan due from group undertaking (see note 14) | 1,304,612 | 75,517 |
| Other debtors | 390,995 | 510,276 |
| | **20,403,991** | **19,536,975** |

Amounts due from group undertaking comprises US$4.2 million (31 December 2019: US$nil) in cash balances held on account by a fellow group undertaking.

## 14. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 31 December 2020 US$ | 31 December 2019 US$ |
|---|---|---|
| Long-term loan due from group undertaking | 70,068,511 | 160,561,545 |
| Junior preferred shares | 48,000,000 | 48,000,000 |
| Mandatorily redeemable ordinary shares | 11,007,134 | - |
| Accrued interest on long-term loan due from group undertakings | - | 7,368,615 |
| | **129,075,645** | **215,930,160** |

Long-term loan due from group undertaking comprises a loan of US$70.0 million (31 December 2019: US$160.6 million) advanced to Victor Acquisitions Limited, a subsidiary undertaking. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate with a final maturity of January 2038.

Junior preferred shares constitute shares in GS Capital Funding (Cayman) Limited and carry entitlement to cumulative cash dividends in priority to ordinary shareholders at a fixed margin over LIBOR and voting rights of 43.64%. The preferred shares are repayable in November 2022.

In March 2020, the company acquired 2.5 billion mandatorily redeemable ordinary shares (MROS) of US$0.01 each for a total consideration of US$25.0 million in ELQ Derivative Ltd, a subsidiary undertaking. The MROS do not meet the definition of an equity instrument per IAS 32 and hence are classified as financial assets measured at fair value. The fair value of the MROS at 31 December 2020 was US$11.0 million (see note 4). MROS and ordinary shares rank pari passu in all respects and have a maturity of May 2040.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

## 15. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 31 December 2020 US$ | 31 December 2019 US$ |
|---|---|---|
| Amounts due to group undertakings | 10,445,740 | 290,847 |
| Other creditors and accruals | 617,865 | - |
| Group relief payable | 138,019 | 19,645 |
| | **11,201,624** | **310,492** |

## 16. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

| | 30 December 2020 US$ | 31 December 2019 US$ |
|---|---|---|
| Long-term loan due to group undertaking | 92,456,214 | 123,481,393 |
| | **92,456,214** | **123,481,393** |

Long-term loan due to group undertaking represents a loan advanced by Group Inc. with a final maturity of January 2048. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan represents a multi-currency facility which is recognised at fair value due to foreign exchange features embedded in this loan.

## 17. CALLED UP SHARE CAPITAL

At 31 December 2020 and 31 December 2019 called up share capital comprised:

| | 31 December 2020 | | 31 December 2019 | |
|---|---|---|---|---|
| | No. | US$ | No. | US$ |
| **Allotted, called up and fully paid** | | | | |
| Ordinary shares of £1 each | 1 | 2 | 1 | 2 |
| Redeemable shares of US$1 each | 218,992,627 | 218,992,627 | 218,992,627 | 218,992,627 |
| | | **218,992,629** | | **218,992,629** |

## 18. DIVIDENDS PAID

| | 31 December 2020 US$ | 31 December 2019 US$ |
|---|---|---|
| Interim dividend paid | 150,000,000 | 1,601,511,428 |
| | **150,000,000** | **1,601,511,428** |

During the year, the company declared and paid an interim dividend to its shareholder of US$150.0 million (31 December 2019: US$1,601.5 million) from available profits.

## 19. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company had no financial commitments or contingencies outstanding at year end (31 December 2019: US$nil).

## 20. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The company monitors its capital on an ongoing basis. The company's objective is to be prudently capitalised in terms of the amount and composition of its equity base compared to the company's risk exposures. The appropriate level and composition of equity capital is determined by considering multiple factors including the business environment, conditions in the financial markets and assessments of potential future losses due to adverse changes in market environments.

The company is not subject to any externally imposed capital requirements.

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. The company, as part of a global group, adheres to global risk management policies and procedures.

### a. Market risk

Market risk is the risk of loss in value of investments, as well as certain other financial assets and financial liabilities, due to changes in market conditions. Risks are monitored and controlled through strong firmwide oversight and independent control and support functions across the company's business. Relevant market risks for the company are interest rate risk and currency risk.

Interest rate risk results from exposures to changes in level, slope and curvature of yield curves, volatilities of interest rates and credit spreads. The company's exposure to interest rate risk was not significant as at 31 December 2020 and 31 December 2019.

Currency risk results from exposures to changes in spot prices, forward prices and volatilities of currency rates.

The company's functional currency is the U.S. dollar. At 31 December 2020, the company had no material net exposures to other currencies (31 December 2019: none).

The company manages its interest rate and currency risks as part of GS Group's risk management policy.

### b. Credit risk

Credit risk represents the potential for loss due to the default or deterioration in the credit quality of a counterparty. Credit risk is managed by reviewing the credit quality of the counterparties and reviewing, if applicable, the underlying collateral against which the financial assets are secured. The company's maximum exposure to credit risk is equivalent to the carrying value of its financial assets as at 31 December 2020 and 31 December 2019. The company's credit exposures are described further below:

**Cash at bank and in hand.** Cash at bank and in hand includes both interest-bearing and non-interest-bearing deposits. To mitigate the risk of credit loss, the company places substantially all of its deposits with highly-rated banks.

**Debtors.** The company is exposed to credit risk from its amounts due from group undertakings, for which the credit risk is considered minimal. As at 31 December 2020, the company had no debtors past due (31 December 2019: US$nil).

### c. Liquidity risk

Liquidity risk is the risk that the company does not have sufficient cash or collateral to make payments to its counterparties or customers as they fall due. The company manages its liquidity risk in accordance with GS Group's comprehensive and conservative set of liquidity and funding policies to address both company specific and broader industry or market liquidity events.

## 21. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

### a. Financial assets and financial liabilities by category

The table below presents the carrying value of the company's financial assets and financial liabilities by category:

| | 31 December 2020 | | |
|---|---|---|---|
| **Financial assets** | **Mandatorily at fair value** | **Amortised cost** | **Total** |
| | **US$** | **US$** | **US$** |
| Debtors: Amounts falling due within one year | - | 20,403,991 | 20,403,991 |
| Debtors: Amounts falling due after more than one year | 11,007,134 | 118,068,511 | 129,075,645 |
| Cash at bank and in hand | - | 2,372,665 | 2,372,665 |
| | **11,007,134** | **140,845,167** | **151,852,301** |

| **Financial liabilities** | **Designated at fair value** | **Amortised cost** | **Total** |
|---|---|---|---|
| | **US$** | **US$** | **US$** |
| Creditors: Amounts falling due within one year | - | 11,201,624 | 11,201,624 |
| Creditors: Amounts falling due after more than one year | 92,456,214 | - | 92,456,214 |
| | **92,456,214** | **11,201,624** | **103,657,838** |

| | 31 December 2019 | | |
|---|---|---|---|
| **Financial assets** | **Mandatorily at fair value** | **Amortised cost** | **Total** |
| | **US$** | **US$** | **US$** |
| Debtors: Amounts falling due within one year | - | 19,536,975 | 19,536,975 |
| Debtors: Amounts falling due after more than one year | - | 215,930,160 | 215,930,160 |
| Cash at bank and in hand | - | 2,194,155 | 2,194,155 |
| | **-** | **237,661,290** | **237,661,290** |

| **Financial liabilities** | **Designated at fair value** | **Amortised cost** | **Total** |
|---|---|---|---|
| | **US$** | **US$** | **US$** |
| Creditors: Amounts falling due within one year | - | 310,492 | 310,492 |
| Creditors: Amounts falling due after more than one year | 123,481,393 | - | 123,481,393 |
| | **123,481,393** | **310,492** | **123,791,885** |

### b. Fair value hierarchy

FRS 101 has a three level fair value hierarchy for disclosure of fair value measurements. The fair value hierarchy prioritises inputs to the valuation techniques used to measure fair value, giving the highest priority to level 1 inputs and lowest priority to level 3 inputs. A financial instrument's level in the fair value hierarchy is based on the lowest level of any input that is significant to its fair value measurement.

## 21. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

### b. Fair value hierarchy (continued)

The fair value hierarchy is as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets to which GS Group has access at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 - Inputs to valuation techniques are observable, either directly or indirectly.
- Level 3 - One or more inputs to valuation techniques are significant and unobservable

### c. Valuation techniques and significant inputs

Valuation techniques and significant inputs for each level of the fair value hierarchy include:

- Level 1 financial instruments are valued using quoted prices for identical unrestricted instruments in active markets. The company defines active markets for financial instruments based on both average daily trading volume and number of days with trading activity.
- Level 2 financial instruments can be verified to quoted prices, recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g. indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

  Valuation adjustments are typically made to level 2 financial instruments (i) if the financial instrument is subject to transfer restrictions and/or (ii) for other premiums and liquidity discounts that a market participant would require to arrive at fair value. Valuation adjustments are generally based on market evidence.
- Level 3 financial instruments have one or more significant valuation inputs that are not observable. Absent evidence to the contrary, level 3 financial instruments are initially valued at transaction price, which is considered to be the best initial estimate of fair value. Subsequently, the company uses other methodologies to determine fair value, which vary based on the type of instrument. Valuation inputs and assumptions are changed when corroborated by substantive observable evidence, including values realised on sales of financial assets.

## 21. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

### d. Fair value of financial assets and financial liabilities by level

The tables below present, by level within the fair value hierarchy, financial assets and financial liabilities measured at fair value on a recurring basis.

| | As of 31 December 2020 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial assets at fair value** | **US$** | **US$** | **US$** | **US$** |
| Mandatorily redeemable ordinary shares | - | 11,007,134 | - | 11,007,134 |
| | **-** | **11,007,134** | **-** | **11,007,134** |
| **Financial liabilities at fair value** | | | - | |
| Amounts due to group undertakings | - | 92,456,214 | - | 92,456,214 |
| | **-** | **92,456,214** | **-** | **92,456,214** |

| | As of 31 December 2019 | | | |
|---|---|---|---|---|
| | **Level 1** | **Level 2** | **Level 3** | **Total** |
| | **US$** | **US$** | **US$** | **US$** |
| **Financial liabilities at fair value** | | | | |
| Amounts due to group undertakings | - | 123,481,393 | - | 123,481,393 |
| | **-** | **123,481,393** | **-** | **123,481,393** |

### e. Fair Value of financial assets and financial liabilities not measured at fair value

The company has US$22.8 million (31 December 2019: US$21.7 million) of current financial assets and US$11.2 million (31 December 2019: US$0.3 million) of current financial liabilities that are not measured at fair value. Given the short-term nature of these instruments, their carrying amounts in the balance sheet are a reasonable approximation of fair value.

The company has US$118.1 million (31 December 2019: US$215.9 million) of financial assets due after more than one year that are not measured at fair value and predominantly relate to long-term intercompany receivables. The interest rate associated with such receivables is variable in nature and approximates prevailing market interest rates for instruments with similar terms and characteristics. As such, the carrying amount in the balance sheet is a reasonable approximation of fair value.

### f. Maturity of financial liabilities

| | 31 December 2020 | | | | |
|---|---|---|---|---|---|
| | **Less than 3 months** | **3 months to 1 year** | **1-5 years** | **5+ years** | **Total** |
| **Financial liabilities** | **US$** | **US$** | **US$** | **US$** | **US$** |
| Creditors: Amounts falling due within one year | 11,201,624 | - | - | - | 11,201,624 |
| Creditors: Amounts falling due after more than one year | 268,472 | 805,415 | 4,295,547 | 116,081,720 | 121,451,154 |
| **Total** | **11,470,096** | **805,415** | **4,295,547** | **116,081,720** | **132,652,778** |

## 21. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

### f. Maturity of financial liabilities (continued)

| | 31 December 2019 | | | | |
|---|---|---|---|---|---|
| | **Less than 3 months** | **3 months to 1 year** | **1-5 years** | **5+ years** | **Total** |
| **Financial liabilities** | **US$** | **US$** | **US$** | **US$** | **US$** |
| Creditors: Amounts falling due within one year | 310,492 | - | - | - | 310,492 |
| Creditors: Amounts falling due after more than one year | 4,638 | 13,917 | 74,222 | 123,908,171 | 124,000,948 |
| **Total** | **315,130** | **13,917** | **74,222** | **123,908,171** | **124,311,440** |

## 22. POST BALANCE SHEET EVENTS

In March 2021, the company received US$165.2 million from its subsidiary undertaking GS Capital Funding Ltd as preference dividend and return of capital. The company used the proceeds to pay a dividend to its parent undertaking of US$78.0 million and repaid US$87.2 million of its long-term loan due to a group undertaking.

In June 2021, the company reduced its redeemable share capital from US$219.0 million to US$1.0 million creating reserves of an equal amount.

In August 2021, the company sold its investment in ELQ Investors IV Ltd to a fellow group undertaking for a total consideration of US$79.4 million, realising a gain of US$45.4 million. The proceeds were used to pay a dividend to the company's parent undertaking.