Company Number: 08491527

ELQ INVESTORS VI LTD

ANNUAL REPORT

31 December 2021

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2021.

1. Introduction

The principal activity of ELQ Investors VI Ltd (the company) is to undertake investment business. The company holds investments in subsidiary undertakings which hold real estate assets, loan assets and private equity investments and directly holds equity and debt investments.

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 financial institution that delivers a broad range of financial services across investment banking, securities, investment management and consumer banking to a large 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 2021. Comparative information has been presented for the year ended 31 December 2020.

The directors consider profit before tax, 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 9. Profit before taxation for the year ended 31 December 2021 was US$88.4 million (2020: loss of US$18.0 million).

The company had total assets of US$15,393.2 million as at 31 December 2021 (31 December 2020: US$4,540.3 million) and total liabilities of US$10,528.7 million as at 31 December 2021 (31 December 2020: US$3,260.9 million). The increase in total assets and total liabilities is driven by increased intercompany financing during the year.

In December 2021, the company issued 2,818,659,775 ordinary shares of US$1 each with share premium of US$681 million for a total consideration of US$3,500.0 million to GLQ Holdings (UK) Ltd, the company's immediate parent undertaking.

The company has not incurred any material financial impact associated with COVID-19.

3. Exchange rate

The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US$1.3535 (31 December 2020: £ / US$1.3653). The average rate for the year was £ / US$1.3739 (31 December 2020: £ / US$1. 2924).

4. Future outlook

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. Developments that may impact the company include:

The Russian invasion of Ukraine in February 2022 has resulted in governments around the world introducing significant sanctions on Russian entities and individuals, and triggered disruption across global financial markets and increased uncertainty in the business environment in which the company operates.

At the date of signing the company had not incurred any material financial impact associated with the war. The future impact of the war on the company remains difficult to predict.

STRATEGIC REPORT (continued)

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 22 of the financial statements.

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 21 October 2022.

ON BEHALF OF THE BOARD

Edward Forbes
Director

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2021.

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 do not recommend the payment of a dividend in respect of the year (31 December 2020: 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/she ought to have taken as a director to make himself / herself 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
R. M. Thomas		30 March 2022
J. Wiltshire		
O. J. Bingham		
N. Ross	22 November 2021	8 September 2022
I. Forbes	30 March 2022	
M. Bradford	8 September 2022	

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 regulation.

Company law requires the directors to prepare financial statements for each financial year. 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 accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

7. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 21 October 2022.

ON BEHALF OF THE BOARD

Edward Forbes
Director

Report on the audit of the financial statements

Opinion
In our opinion, ELQ Investors VI Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 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: Balance Sheet as at 31 December 2021; 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 2021 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 in respect of the financial statements, 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 United Kingdom tax legislation, 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 Companies Act 2006 and Corporate tax legislation. 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 posting of inappropriate journal entries. Audit procedures performed by the engagement team included:

- Assessing management's controls designed to prevent and detect fraud in financial reporting;
- Assessing matters reported on the company's whistleblowing helpline and the results of management's investigation of such matters;
- Identifying and testing journal entries, in particular any journal entries posted by senior management;
- Testing of information security controls relating to system access and change management;
- Incorporating unpredictability into the nature, timing and/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.

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.

Mike Wallace (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
21 October 2022

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2021

	Note	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Net revenues	4	2,996,894	1,858,766
Administrative (expenses)/ income	5	(20,995,711)	1,295,576
Income from shares in group undertakings	6	77,063,153	-
Write down of shares in group undertakings	7	-	(5,047,649)
Interest receivable and similar income	8	49,728,224	17,224,407
Interest payable and similar expenses	9	(20,391,030)	(33,367,303)
OPERATING PROFIT/(LOSS)		88,401,530	(18,036,203)
Gains on sale of subsidiary undertakings	10	39,624	55,512
PROFIT/(LOSS) BEFORE TAXATION		88,441,154	(17,980,691)
Tax on profit/(loss)	13	(3,234,268)	1,226,730
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		85,206,886	(16,753,961)

The operating profits/(losses) 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 2021

	Note	31 December 2021 US$	31 December 2020 US$
FIXED ASSETS			
Investments	14	822,622,977	861,639,554
CURRENT ASSETS			
Investments	15	72,322,201	133,362,277
Debtors: Amounts falling due within one year	16	59,911,893	13,556,325
Debtors: Amounts falling due after more than one year	17	14,430,302,294	3,529,558,167
Cash at bank and in hand		8,054,311	2,134,795
		14,570,590,699	3,678,611,564
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	18	(21,183,733)	(26,150,339)
NET CURRENT ASSETS		14,549,406,966	3,652,461,225
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	19	(10,507,513,269)	(3,234,790,991)
NET ASSETS		4,864,516,674	1,279,309,788
CAPITAL AND RESERVES			
Called up share capital	20	3,840,030,040	1,021,370,265
Share premium account		878,373,254	197,033,029
Profit and loss account		146,113,380	60,906,494
TOTAL SHAREHOLDERS' FUNDS		4,864,516,674	1,279,309,788

The financial statements were approved by the Board of Directors on 21 October 2022 and signed on its behalf by:

Edward Forbes

Director

The accompanying notes are an integral part of these financial statements.
Company number: 08491527

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2021

	Note	Called up share capital US$	Share premium account US$	Profit and loss account US$	Total shareholders' funds US$
Balance at 1 January 2020		318,403,294	-	77,660,455	396,063,749
Proceeds from shares issued		702,966,971	197,033,029	-	900,000,000
Loss for the financial year		-	-	(16,753,961)	(16,753,961)
Balance at 31 December 2020		1,021,370,265	197,033,029	60,906,494	1,279,309,788
Proceeds from shares issued	20	2,818,659,775	681,340,225	-	3,500,000,000
Profit for the financial year		-	-	85,206,886	85,206,886
Balance at 31 December 2021		3,840,030,040	878,373,254	146,113,380	4,864,516,674

No dividends were paid in 2021 and 2020.

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

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2021

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 GLQ Holdings (UK) Ltd, a company incorporated and domiciled in England and Wales.

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, as well as certain regulatory filings, for example Quarterly Reports on Form 10-Q and the Annual Report on Form 10-K, that provide further information about GS Group and its business activities, 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 (except as modified as explained in note 2g), 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) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a);

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

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

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

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

(vii) 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 its subsidiaries 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. Revenue recognition

Net revenues have been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities. This includes net revenues from equity and debt investments.

Net revenues from equity investments include dividend income, changes in fair value and gains and losses on sale of investments. Dividends receivable are recognised as income when the right to receive the payment has been established.

Net revenues from debt investments includes accrued interest, changes in fair value and gains and losses on sale of investments.

c. 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.

d. 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, and non-monetary assets and liabilities measured at fair value, 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.

e. Fixed asset investments

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

f. Cash at bank and in hand

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

g. 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 derecognition. 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)

g. 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 include:

- Cash and cash equivalents;
- Amounts falling due within one year; and
- Amounts falling due after more than one year (excluding financial assets mandatorily measured at fair value through profit or loss).

- **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 revenues on financial instruments at fair value. Financial assets mandatorily measured at fair value include:

- Current investments.
- Amounts falling due after more than one year (excluding financial assets measured at amortised cost).

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.

2. ACCOUNTING POLICIES (continued)

(ii) Classification and measurement(continued)

- **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 (as noted previously). Finance costs, including discounts allowed on issue, are recorded in interest payable and similar expenses. Financial liabilities measured at amortised cost include:

• Amounts falling due within one year; and

• Amounts falling due after more than one year (excluding financial liabilities designated at fair value).

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

Financial liabilities designated at fair value through profit or loss comprise intercompany financing arrangements. The company has recognised the intercompany multi-currency arrangements at fair value where the 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. Financial liabilities designated at fair value through profit or loss include:

• Amounts falling due after more than one year.

- **Financial liabilities held for trading**

Financial liabilities held for trading are initially measured at fair value and subsequently at fair value through profit or loss, with gains or losses recognised in net revenues.

Financial liabilities held for trading include trading liabilities, which consists of Derivative instruments.

(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.

2. ACCOUNTING POLICIES (continued)

h. 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.

i. Share capital

Ordinary share capital is 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. The following estimates have had the most significant effect on amounts recognised in the financial statements:

Fair value measurement

Certain of the company's financial assets include significant unobservable inputs (i.e. level 3). See note 23 for information about the carrying value, valuation techniques and significant inputs of these instruments.

4. NET REVENUES

	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Net revenues from equity investments	(3,953,134)	3,874,999
Net revenues from debt investments	6,950,028	(2,010,663)
Net revenues from joint ventures	-	(5,570)
	2,996,894	**1,858,766**

5. ADMINISTRATIVE (INCOME)/EXPENSES

	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Management fees charged by group undertakings	10,176,397	24,642,287
Foreign exchange (gains)/losses	1,559,832	(25,854,044)
Legal and professional fees	9,084,323	(234,153)
Auditors' remuneration - audit services	144,321	45,114
Other expenses	30,837	105,220
	20,995,711	**(1,295,576)**

The legal and professional fees include US$7.8 million of promote fees accrued on gain on sale of debt investments. Auditors' remuneration for 2021 includes a true up of prior year audit fees of £35,000 (US$ 48,310).

6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

In the current year, the company received dividend income totaling US$77.0 million from subsidiary undertakings (2020: US$nil). This comprised dividends of US$28.2 million from Kingfisher Real Estate B.V., US$31.2 million from Artemis Acquisition France S.à.r.l., US$12.0 million from Central Udvar Acquisition, US$4.5 million from Artemis Acquisition Poland S.à.r.l., US$0.3 million from Goldman Sachs Australia Group Holdings Pty Ltd and US$0.6 million of preference dividend from Goldman Sachs Australia Group Holdings Pty Ltd.

7. WRITE DOWN OF SHARES IN GROUP UNDERTAKINGS

In the prior year, the company recorded impairments of US$4.3 million, US$0.5 million and US$0.2 million on Artemis Acquisition Italy S.à.r.l., Goldman Sachs Asia Strategic III Pte. Ltd. and Kingfisher Real Estate B.V. respectively as part of the year end assessment of the subsidiaries' performance.

8. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Interest on long-term loans due from group undertaking (see note 17)	49,728,224	17,224,407
	49,728,224	**17,224,407**

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Interest on long-term loans due to group undertaking (see note 19)	20,391,030	33,367,303
	20,391,030	**33,367,303**

10. GAINS ON SALE OF SUBSIDIARY UNDERTAKINGS

In the current year, the company recorded a gain of $39,624 as true up on the sale of subsidiary Artemis Corner Acquisition Korlatolt Felelossegu Tarsasag in 2019. In the prior year, the company recorded a gain of US$55,512, comprising a gain on minority stake sale in Pheasant B.V.

11. 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. The charges made by these group undertakings for all services provided to the company are included in management fees charged by group undertakings (see note 5).

12. 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.

13. TAX ON PROFIT/(LOSS)

	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Current tax:		
U.K. corporation tax	3,048,504	(3,356,708)
Overseas taxes on investments in joint ventures	-	36
Adjustments in respect of prior periods	185,764	2,129,942
Total current tax	**3,234,268**	**(1,226,730)**

The table below presents a reconciliation between tax on profit/(loss) and the amount calculated by applying the standard rate of U.K. corporation tax applicable to the company for the year of 19% (2020: 19%) to the loss before taxation.

	Year ended 31 December 2021 US$	Year ended 31 December 2020 US$
Profit/ (Loss) before taxation	88,441,154	(17,980,691)
Profit/ (Loss) before multiplied by the standard rate in the U.K. 19% (2020: 19%)	16,803,819	(3,416,331)
Permanent differences	1,047,082	(745,580)
Non-taxable dividend income	(14,641,999)	-
Non-taxable UK gains on investments in joint ventures	-	1,058
Non-deductible impairments on investments in subsidiary undertakings	-	959,054
Non-taxable gains on sale of subsidiaries	(7,529)	(10,547)
Non-deductible expenses	-	(17,959)
Exchange and other differences	(152,869)	(126,403)
Overseas taxes on investments in joint ventures	-	36
Adjustments in respect of prior periods	185,764	2,129,942
Total tax on profit / (loss)	**3,234,268**	**(1,226,730)**

14. FIXED ASSET INVESTMENTS

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

	Cost	Provisions for impairment	Net book value
	US$	US$	US$
At 1 January 2020	669,322,208	(44,559,369)	624,762,839
Additions	306,817,334	-	306,817,334
Distributions	(64,599,753)	-	(64,599,753)
Disposals	(293,217)	-	(293,217)
Impairments (see note 7)	-	(5,047,649)	(5,047,649)
At 31 December 2020	**911,246,572**	**(49,607,018)**	**861,639,554**
Additions	68,057,271	-	68,057,271
Distributions	(107,073,848)	-	(107,073,848)
At 31 December 2021	**872,229,995**	**(49,607,018)**	**822,622,977**

During the period, the following key transactions took place:

(i) The company acquired 33,500,000 ordinary shares of US$1 each in Goldman Sachs Asia Strategic III PTE. LTD for a total consideration of US$33.5 million.

(ii) The company acquired 27,289,088 ordinary shares of US$1 each GLQ Holdings S.A R.L. for a total consideration of US$27.30 million as a result of conversion of loan into equity.

(iii) The company acquired 5,131,007 ordinary shares of GBP 0.01 each issued by UK PRS PORTFOLIO MASTER HOLDCO LIMITED for a consideration of US$7.3 million. UK PRS PORTFOLIO MASTER HOLDCO LIMITED is a 100% subsidiary of Group Inc. and consequently has been classified under fixed asset investments. The proportion of ordinary shares held by the company is 6.91%. The remaining shares are held by fellow group undertakings.

During the year the following distributions took place:

(i) The company received distributions of US$13.2 million from Artemis Acquisition France S.à.r.l. which represented a return of capital and the company reduced its investment by the same amount.

(ii) The company received distributions of US$20.7 million from Central Udvar Acquisition Korlatolt Felelossegu Tarsasag which represented a return of capital and the company reduced its investment by the same amount.

(iii) The company received distributions of US$52.1 million from Encasa Cibeles S.L. which represented a return of capital and the company reduced its investment by the same amount.

(iv) The company received distributions of US$1.1 million from Kingfisher Real Estate B.V. which represented a return of capital and the company reduced its investment by the same amount.

(v) The company received distributions of US$19.8 million from ELQ Omega UK LTD. which represented a return of capital and the company reduced its investment by the same amount.

14. FIXED ASSET INVESTMENTS (continued)

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
Encasa Cibeles S.L.[1]	Holds real estate	97.95%	Ordinary shares
Kingfisher Real Estate B.V.[2]	Holds real estate	100%	Ordinary shares
Puffin Real Estate B.V.[2]	Holds real estate	100%	Ordinary shares
Dolomites Funding S.R.L.[3]	Holds loan portfolios	100%	Ordinary shares
Artemis Acquisition Italy S.à r.l.[4]	Holds real estate	100%	Ordinary shares
Artemis Acquisition Poland S.à r.l.[4]	Holds real estate	99.96%	Ordinary shares
Goldman Sachs Asia Strategic III Pte. Ltd[6]	Investment company	100%	Ordinary shares
Artemis Acquisition France S.à r.l.[4]	Holds real estate	100%	Ordinary shares
Artemis Acquisition Netherlands S.à r.l.[4]	Holds real estate	100%	Ordinary shares
GLQ Holdings S.a.r.l[4]	Investment company	100%	Ordinary shares
Ludgate Acquisitions 1 Limited [8]	Dormant company	94.51%	Ordinary shares
Central Udvar Acquisition Korlatolt Felelossegu Tarsasag[5]	Dormant company	91.54%	Ordinary shares
Pheasant B.V.[2]	Holds real estate	95.36%	Ordinary shares
Yoram Limited[12]	Dormant company	100%	Ordinary shares
ELQ Omega UK LTD[9]	Investment company	99.68%	Ordinary shares
UK PRS Portfolio Master Holdco Ltd[8]	Holds real estate	6.91%	Ordinary shares
Goldman Sachs Australia Group Holdings Pty Ltd[13]	Investment company	100%	Ordinary shares

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
Henry Investments Oy[10]	Investment company	100%	Ordinary shares
Kiinteisto OY Pasilanraitio[10]	Holds real estate	100%	Ordinary shares
Henry Kiinteistot OY[10]	Holds real estate	100%	Ordinary shares
Sivipre Oy[11]	Holds real estate	100%	Ordinary shares
Ludgate Acquisitions 2 Limited[8]	Dormant company	100%	Ordinary shares
Gk Nogizaka Holdings[7]	Investment company	100%	Ordinary shares
CIRSIUM HOLDCO LIMITED[7]	Inactive	6.91%	Ordinary shares
Rosemary HoldCo 1 Limited[7]	Investment company	6.91%	Ordinary shares
CIRSIUM PROPCO LIMITED[7]	Inactive	6.91%	Ordinary shares
Rosemary PropCo 1 Limited[7]	Holds real estate	6.91%	Ordinary shares
Japan Care Facilities 2 TK[7]	Holds real estate	99.00%	Ordinary shares
Japan Care Facilities TK[7]	Holds real estate	99.00%	Ordinary shares
Rio Grande TK[7]	Holds real estate	100.00%	Ordinary shares
Eleven TK[7]	Holds real estate	99.00%	Ordinary shares
Shibasan Holdings TK[7]	Holds real estate	100.00%	Ordinary shares
Mirai Hydro Repowering II TK[7]	Holds real estate	94.00%	Ordinary shares
Kizuna TK[7]	Holds real estate	99.00%	Ordinary shares
Miyakojima Kaihatsu TK[7]	Holds real estate	100.00%	Ordinary shares
Nagatsuta TK[7]	Holds real estate	98.68%	Ordinary shares
Mirai Hydro Repowering I TK[7]	Holds real estate	94.00%	Ordinary shares
Iris TK[7]	Holds real estate	99.00%	Ordinary shares
Yukon TK[7]	Holds real estate	99.00%	Ordinary shares

14. FIXED ASSET INVESTMENTS (continued)

Name of company	Nature of business	Proportion of nominal value held	Class of shares held
Asahikawa Capital TK[7]	Holds real estate	99.00%	Ordinary shares
SSG Tokai TK[7]	Holds real estate	100.00%	Ordinary shares
Yaesu Property TK[7]	Holds real estate	50.00%	Ordinary shares
TMK Shine Residence[7]	Holds real estate	100.00%	Ordinary shares
GK Cloud Holdings Two[7]	Holds real estate	21.38%	Ordinary shares
Goldman Sachs Australia Capital Markets Pty Ltd[13]	Investment company	100.00%	Ordinary shares

The subsidiaries have their registered office address at:

[1] Calle Gregorio Benitez, No3 Edificio B, 2a Planta, Madrid, Spain, 28043

[2] Herikerbergweg 88, Amsterdam, Netherlands, 1101 CM

[3] Via Vittorio Alfieri, 1 Conegliano (Treviso), Italy, 31015

[4] 2, Rue du Fossé, Luxembourg L-1536, Luxembourg

[5] Andrássy út 100, Budapest, Hungary, 1062

[6] 1 Raffles Link, #07-01, Singapore, 039393

[7] Roppongi Hills Mori Tower, 10-1, Roppongi 6-chome, Minato-ku, Tokyo, Japan, 106-6145

[8] 22 Grenville Street, St Helier, Jersey, Channel Islands, JE4 8PX

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

[10] Kluuvikatu 7, Helsinki, Finland, FI - 00100

[11] Frederikinkatu 61 A, Helsinki, Finland, 00100

[12] NCR Building, 6th Floor, 6 Broad Street, Lagos, Nigeria 2000003

[13] 101 Collins Street, Melbourne, Victoria, Australia 3000

[14] 4th Floor, 52-54 Gracechurch Street, London, United Kingdom, EC3V 0EH

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2021

15. CURRENT ASSET INVESTMENTS

Current asset investments comprise equity investments and debt investments.

	31 December 2021 US$	31 December 2020 US$
Equity investments at fair value	72,322,201	63,886,226
Debt investments at fair value	-	69,476,051
	72,322,201	**133,362,277**

16. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2021 US$	31 December 2020 US$
Amounts due from group undertakings	50,696,832	3,497,481
Group relief receivable	9,109,851	10,038,390
Corporation tax receivable	83,518	-
Other debtors	21,691	20,454
	59,911,893	13,556,325

Amounts due from group undertakings includes US$48.01 million (31 December 2020: US$1.8 million) in cash balances held on account by a fellow group undertaking.

17. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2021 US$	31 December 2020 US$
Long-term loans due from group undertakings	14,383,047,638	3,517,079,831
Accrued interest on long-term loans due from group undertakings	47,254,656	12,478,336
	14,430,302,294	3,529,558,167

Long-term loans due from group undertakings in the current and prior periods comprises the following:

(i) A loan of US$91.9 million (31 December 2020: US$159.8 million) advanced by the company to Kingfisher Real Estate B.V., a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

(ii) A loan of US$45.7 million (31 December 2020: US$49.1 million) advanced by the company to Pheasant B.V., a fellow group undertaking, under the terms of an existing loan agreement dated October 2017. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in April 2027.

(iii) A loan of US$5.7 million (31 December 2020: US$6.1 million) advanced by the company to Artemis Acquisition Italy S.à.r.l., a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

17. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

(iv) A loan of US$11.3 million (31 December 2020: US$12.2 million) advanced by the company to Artemis Acquisition Netherlands S.à.r.l., a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

(v) A loan of US$2.8 million (31 December 2020: US$6.1 million) advanced by the company to Puffin Real Estate B.V., a fellow group undertaking, under the terms of an existing loan agreement dated July 2017. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in July 2037.

(vi) A loan of US$220.4 million (31 December 2020: US$229.4 million) advanced by the company to GLQC II Designated Activity company, a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan represents a multi-currency facility which is recognised at fair value due to the foreign exchange features embedded in the loan. It is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

(vii) A loan of US$12.8 billion advanced by the company to GLQ Holdings (UK) Ltd, a fellow group undertaking, under the terms of a loan agreement executed effective December 2021. The loan represents a multi-currency facility which is recognised at fair value due to the foreign exchange features embedded in the loan. It is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038. A balance of US$994.5 million as of 31 December 2020, previously advanced under the terms of loan agreement dated August 2020 were migrated under the new loan agreement effective December 2021.

(viii) A loan of US$114.8 million (31 December 2020: US$123.3 million) advanced by the company to GLQ Investors Limited, a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

(ix) A loan of US$540.8 million (31 December 2020: US$580.8 million) advanced by the company to Broad Street Brazil Limited, a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

(x) A loan of US$531.6 million (31 December 2020: US$828.3 million) advanced by the company to GK Nogizaka Holdings, a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable in January 2038.

(xi) A loan of US$0.5 million (31 December 2020: US$nil) advanced by the company to GLQ Holdings S.à.r.l., a fellow group undertaking. During the current year, the company entered into a new master unsecured intercompany loan agreement with a final maturity date of January 2038. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate.

(xii) A loan of US$nil (31 December 2020: US$516.5 million) advanced by the company to ELQ Investors II Ltd, a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. This loan was repaid during the year.

(xiii) A loan of US$nil (31 December 2020: US$11.1 million) advanced by the company to Titanium UK Holdco 1 Limited, a fellow group undertaking, under the terms of an existing loan agreement dated January 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. This loan was repaid during the year.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2021

18. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2021	31 December 2020
	US$	US$
Amounts due to group undertakings	8,971,156	13,787,551
Accrued interest on long-term loans due to group undertakings (see note 19)	6,258,547	8,193,204
Corporation tax payable	3,382,748	1,474,929
Other creditors	2,571,282	2,694,655
	21,183,733	**26,150,339**

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2021	31 December 2020
	US$	US$
Long-term notes due to group undertakings	2,907,598,243	3,121,852,918
Long-term loans due to group undertakings	7,599,915,026	111,994,795
Accrued interest on long-term loans due to group undertakings	-	943,278
	10,507,513,269	3,234,790,991

Long-term loans due to group undertakings in the current and prior periods comprises the following:

(i) A loan of US$7,528.2 million (31 December 2020: US$nil) advanced by GLQL S.à.r.l. under the terms of a loan agreement dated 2021. The loan is unsecured, carries interest at a variable margin over the applicable currency's overnight interest rate and has a final maturity date of January 2038.

(ii) A loan of US$71.6 million (31 December 2020: US$nil) advanced by Titanium UK Holdco 1 Limited under the terms of a loan agreement dated 2021. The loan is unsecured, carries interest at a variable margin over the applicable currency's overnight interest rate and has a final maturity date of January 2038.

(iii) A loan of US$nil (31 December 2020: US$80.1 million) advanced by Group Inc. under the terms of the agreement with a final maturity date of January 2038. 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. This loan was fully repaid during the year.

(iv) A loan of US$nil (31 December 2020: US$31.9 million) advanced by the company's subsidiary Central Udvar Acquisition Korlatolt Felelossegu Tarsasag under the terms of a loan agreement dated May 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate and is repayable in May 2067. This loan was fully repaid during the year.

Long-term notes due to group undertakings in the current and prior periods comprises the following:

(i) Notes of US$2,907.6 million (31 December 2020: US$nil) advanced by GLQ Holdings (UK) Limited under the assignment and novation agreement whereby GLQ International Holdings transferred and novated its rights and obligations to GLQ Holdings (UK) Limited. The notes are secured against all assets of the Company and carry interest at 0.33% per annum and are repayable in November 2023. Interest is payable in November of every year and consequently classified under creditors falling due within one year.

(ii) Notes of US$nil (31 December 2020: US$3,121.9 million) advanced by GLQ International Holdings under the terms of a note issuance agreement dated May 2019, proceeds from which were used to repay the loan from Group Inc. The notes were secured and carried interest at 0.33% per annum applicable from 1 January 2021 (2020: 12 month LIBOR plus the spread of 2.25% per annum), were repayable in November 2023 and were transferred to GLQ Holdings (UK) Limited.

19. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)

In addition to the liabilities above, the company along with several fellow group undertakings, has pledged its total assets as a guarantee for the secured obligations of various affiliates to Goldman Sachs International Bank. The guarantee is a secondary obligation only to be called if the primary obligations of the affiliates fail. In the directors view the risk of the guarantee being called is considered negligible on the basis of the total assets group wide that have been pledged to support such obligations.

20. CALLED UP SHARE CAPITAL

At 31 December 2021 and 31 December 2020 called up share capital comprised:

	31 December 2021		31 December 2020	
	No.	US$	No.	US$
Allotted, called up and unpaid				
Ordinary shares of GBP 1 each	1	2	1	2
Allotted, called up and fully paid				
Ordinary shares of GBP 1 each	10,000	16,348	10,000	16,348
Ordinary shares of EUR 1 each	10,000	13,690	10,000	13,690
Ordinary shares of USD 1 each	3,840,000,000	3,840,000,000	1,021,340,225	1,021,340,225
		3,840,030,040		**1,021,370,265**

In December 2021, the company issued 2,818,659,775 ordinary shares of US$1 each with share premium of US$681 million for a total consideration of US$3,500.0 million to GLQ Holdings (UK) Ltd, the company's immediate parent undertaking.

21. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company had no financial commitments or contingencies outstanding at the year end (31 December 2020: US$nil).

22. 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.

22. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT (continued)

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, currency risk and equity price risk.

Interest rate risk results from exposures to changes in level, slope and curvature of yield curves, volatilities of interest rates and credit spreads.

If interest rates had been 0.5 percent higher/lower and all other variables were held constant, the company's profit before taxation for the year ended 31 December 2021 would have been US$146,676 lower/higher (loss before taxation for the year ended 31 December 2020 was US$42,091 lower/higher). This has been determined by assuming that the company's exposure to interest rate risk at balance sheet date was consistent for the whole year.

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 2021, the company had net Euro denominated assets of US$46.5 million (2020: net Euro denominated liabilities of US$4.7 million), net GBP denominated liabilities of US$1.3 million (2020: net GBP denominated assets of US$2.2 million), net DKK denominated assets of US$30.8 million (net DKK denominated assets 2020: US$31.5 million) and net JPY denominated assets of US$1.0 million (net JPY denominated liabilities 2020: US$1.9 million).

If foreign exchange rates had been 0.5 percent higher/lower and all other variables were held constant, the company's loss before tax for the year ended 31 December 2021 would have been US$0.4 million higher/lower (2020: Profit before tax would have been US$0.2 million lower/higher). This has been determined assuming that the company's exposure to currency risk at balance sheet date was consistent for the whole year.

Equity price risk arises from exposures to changes in prices and volatilities of individual investments. The sensitivity analysis below has been determined based on the company's exposure to equity price risk at the balance sheet date. If equity values had been 10 per cent higher/lower, profit before taxation for the year ended 31 December 2021 and 31 December 2020 would increase/decrease by US$7.2 million (2020: US$6.4 million) as a result of the changes in fair value.

The company manages its interest rate and currency risks as part of GS Group's risk management policy, by establishing economic hedges as appropriate to the circumstances of the company.

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 2021 and 31 December 2020. The company's credit exposures are described further below:

Cash at bank and in hand. Cash at bank and in hand include 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 2021, the company had no debtors past due (31 December 2020: US$nil)

22. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT (continued)

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.

23. 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 2021		
	Mandatorily at fair value	Amortised cost	Total
Financial assets	**US$**	**US$**	**US$**
Investments	72,322,201	-	72,322,201
Debtors: amounts falling due within one year	-	59,828,374	59,828,374
Debtors: amounts falling due after more than one year	13,064,311,864	1,365,990,430	14,430,302,294
Cash at bank and in hand	-	8,054,311	8,054,311
	13,136,634,065	**1,433,873,115**	**14,570,507,180**

	Designated at fair value	Amortised cost	Total
Financial liabilities	**US$**	**US$**	**US$**
Creditors: amounts falling due within one year	-	17,800,985	17,800,985
Creditors: amounts falling due after more than one year	-	10,507,513,269	10,507,513,269
	-	**10,525,314,254**	**10,525,314,254**

	31 December 2020		
	Mandatorily at fair value	Amortised cost	Total
Financial assets	**US$**	**US$**	**US$**
Investments	133,362,277	-	133,362,277
Debtors: amounts falling due within one year	-	13,556,325	13,556,325
Debtors: amounts falling due after more than one year	-	3,529,558,167	3,529,558,167
Cash at bank and in hand	-	2,134,795	2,134,795
	133,362,277	**3,545,249,287**	**3,678,611,564**

	Designated at fair value	Amortised cost	Total
Financial liabilities	**US$**	**US$**	**US$**
Creditors: amounts falling due within one year	-	24,675,410	24,675,410
Creditors: amounts falling due after more than one year	80,097,723	3,154,693,268	3,234,790,991
	80,097,723	**3,179,368,678**	**3,259,466,401**

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

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.

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.

The fair values of the company's financial assets and financial liabilities are either based on observable prices and inputs and are classified in level 2 of the fair value hierarchy, or include one or more inputs which are significant and unobservable and have been classified in level 3 of the fair value hierarchy. Certain level 2 and level 3 financial assets and financial liabilities may require appropriate valuation adjustments that a market participant would require to arrive at fair value for factors such as counterparty and the company's and GS Group's credit quality, funding risk, transfer restrictions, liquidity and bid/offer spreads. Valuation adjustments are generally based on market evidence.

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.

23. 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 2021			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value	**US$**	**US$**	**US$**	**US$**
Equity investments at fair value	-	58,391,885	13,930,316	72,322,201
Debtors: amounts falling due after more than one year	-	13,064,311,864	-	13,064,311,864
	-	**13,122,703,749**	**13,930,316**	**13,136,634,065**
Financial liabilities at fair value				
Creditors: amounts falling due after more than one year	-	-	-	-
	-	-	-	-

	As at 31 December 2020			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value	**US$**	**US$**	**US$**	**US$**
Equity investments at fair value	-	-	63,886,226	63,886,226
Debt investments at fair value	-	-	69,476,051	69,476,051
	-	-	**133,362,277**	**133,362,277**
Financial liabilities at fair value				
Creditors: amounts falling due after more than one year	-	80,097,723	-	80,097,723
	-	**80,097,723**	-	**80,097,723**

During 2021, there was transfer from level 3 to level 2 financial assets.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

e. Significant unobservable inputs used in Level 3 fair value measurement

As of 31 December 2021, the company had level 3 financial assets measured at fair value through profit and loss of US$13.9 million (31 December 2020: US$133.4 million). The table below presents the ranges of significant unobservable inputs used to value the level 3 financial assets, and the related weighted averages.

Level 3 financial instruments measured at fair value through the profit and loss	Valuation techniques and significant unobservable inputs	Significant unobservable inputs (where a range, weighted average)	
		As of December 2021	As of December 2020
Equity investments	Market comparable:		
(US$13.9 million and US$63.9 million of net level 3 assets as of December 2021 and December 2020, respectively)	• Earnings multiple	-	9.5x
	• Price to book multiple	-	9x to 12x (10.2x)
	• Yield	14.1%	-
Debt investments	Discounted cash flows:	N.A	
(US$nil and US$69.5 million of net level 3 assets as of December 2021 and December 2020, respectively)	• Yield		14.0%
	• Duration (years)		2.0

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

f. Level 3 rollforward

The tables below present the changes in fair value for all level 3 financial assets and financial liabilities. Gains and losses arising on level 3 assets are recognised within trading profit in the profit and loss account.

	Year ended 31 December 2021		
	Equity investments	Debt investments	Total
	US$	US$	US$
Balance, beginning of year	63,886,226	69,476,051	133,362,277
Gain / (loss)	(1,639,984)	(8,199,017)	(9,839,001)
Purchases	10,075,959		10,075,959
Sales		(61,277,034)	(61,277,034)
Transfers out of level 3	(58,391,885)	-	(58,391,885)
Balance, end of year	**13,930,316**	**-**	**13,930,316**

	Year ended 31 December 2020		
	Equity investments	Debt investments	Total
	US$	US$	US$
Balance, beginning of year	60,011,227	69,765,263	129,776,490
Gain / (loss)	3,874,999	(289,212)	3,585,787
Balance, end of year	**63,886,226**	**69,476,051**	**133,362,277**

During 2021, there was transfer from level 3 to level 2 financial assets.

g. Fair value of financial assets and financial liabilities valued using techniques that incorporate unobservable inputs

The fair value of financial assets and financial liabilities may be determined in whole or part using a valuation technique based on assumptions that are not supported by prices from observable market transactions in the same instrument or based on available observable market data and changing these assumptions will change the resultant estimate of fair value.

The potential impact of using reasonable possible alternative assumptions for the valuation, including significant unobservable inputs, has been quantified as of 31 December 2021, as approximately US$1.3 million (31 December 2020: US$8.4 million) for favourable changes and US$0.3 million (31 December 2020: US$8.3 million) for unfavourable changes.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

h. Fair value of financial assets and financial liabilities not measured at fair value

The company has US$67.9 million (31 December 2020: US$15.7 million) of current financial assets (excluding investments) and US$17.8 million (31 December 2020: US$24.7 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$1,365.99 million (31 December 2020: US$3,529.6 million) of financial assets and US$10,507.5 million (31 December 2020: US$32.8 million) of financial liabilities due after more than one year that are not measured at fair value and predominantly relate to long-term intercompany borrowings. The interest rate associated with such borrowings 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.

i. Maturity of financial liabilities

The tables below present the undiscounted cash flows of the company's financial liabilities by contractual maturity including interest that will accrue.

	31 December 2021				
	1-3 months	3 months - 1 year	1-5 years	5+years	Total
Financial liabilities	**US$**	**US$**	**US$**	**US$**	**US$**
Creditors: amounts falling due within one year	17,800,985	-	-	-	17,800,985
Creditors: amounts falling due after more than one year	-	1,377,260	2,883,698,199	8,738,373,085	11,623,448,544
Total - on balance sheet	**17,800,985**	**1,377,260**	**2,883,698,199**	**8,738,373,085**	**11,641,249,529**

	31 December 2020				
	1-3 months	3 months -1 year	1-5 years	5+years	Total
Financial liabilities	**US$**	**US$**	**US$**	**US$**	**US$**
Creditors: amounts falling due within one year	24,675,410	-	-	-	24,675,410
Creditors: amounts falling due after more than one year	-	67,362,401	3,108,381,111	400,873,586	3,576,617,098
Total - on balance sheet	**24,675,410**	**67,362,401**	**3,108,381,111**	**400,873,586**	**3,601,292,508**