

**Vontobel Asset Management UK  
Holdings Ltd.**

Report and Financial Statements

Year Ended

31 December 2022

Company Number 09506987



## **Vontobel Asset Management UK Holdings Ltd.**

### **Company Information**

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<b>Directors</b>	S Bowers A Raisman J Marxfeld
<b>Company secretary</b>	Prism Cosec Limited
<b>Registered number</b>	09506987
<b>Registered office</b>	3rd Floor 70 Conduit Street London W1S 2GF
<b>Independent auditor</b>	Ernst & Young LLP 25 Churchill Place Canary Wharf London E14 5EY

# Vontobel Asset Management UK Holdings Ltd.

## Contents

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	Page(s)
<b>Strategic report</b>	1 - 4
<b>Directors' report</b>	5 - 7
<b>Independent auditor's report</b>	8 - 11
<b>Statement of comprehensive income</b>	12
<b>Balance sheet</b>	13
<b>Statement of changes in equity</b>	14
<b>Notes to the financial statements</b>	15 - 23

# Vontobel Asset Management UK Holdings Ltd.

## Strategic report For the year ended 31 December 2022

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The directors present the Strategic report and the audited financial statements of Vontobel Asset Management UK Holdings Ltd. ("the Company") for the year ended 31 December 2022.

### Business review and future developments

The Company's strategy and sole purpose is as a holding company owning the full membership interest of TwentyFour Asset Management LLP.

The Company has no employees other than the directors and does not engage in any direct client and business activities.

The Company is financed entirely by its immediate and ultimate parent undertaking, as well as ultimate controlling party, Vontobel Holding AG ("Vontobel"), a company incorporated in Switzerland.

### Principal risks and uncertainties

With the Company's interest in TwentyFour Asset Management LLP, a partnership registered in England and Wales, it is directly exposed to all activities performed by TwentyFour Asset Management LLP. TwentyFour Asset Management LLP's principal activity is investment management and advisory services.

#### *Market risk*

A downturn in the markets can impact TwentyFour Asset Management LLP's assets under management with implications for TwentyFour Asset Management LLP and, as a result, the Company's profitability.

#### *Operational risk*

TwentyFour Asset Management LLP has implemented a number of controls to mitigate potential risks. Extensive operational controls and checks are in place to mitigate operational risks, including dedicated risk management and operational risk functions. TwentyFour Asset Management LLP has furthermore an internal compliance officer to manage regulatory risk.

#### *Interest rate risk*

The Company is further exposed to interest rate risk from its loan that accrues interest at a variable rate equivalent to Swap vs. SONIA 6-month rate plus an adjustment of 0.2766% plus 250 basis points.

#### *Credit risk*

The Company's credit risk exposures is very limited due to the fact that its counterparties are TwentyFour Asset Management LLP and Bank Vontobel AG.

### Financial key performance indicators

The key performance indicators are directly related to the financial performance of TwentyFour Asset Management LLP. The directors consider that the financial position of TwentyFour Asset Management LLP at the year end is satisfactory and that TwentyFour Asset Management LLP is expected to remain profitable in the foreseeable future.

## Vontobel Asset Management UK Holdings Ltd.

### Strategic report (continued) For the year ended 31 December 2022

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#### Statement by the directors in accordance with s172(1) Companies Act 2006

##### Vontobel as a responsible business

From sustainable investment solutions, to environmental sustainability, through to serving communities; corporate responsibility has a long tradition at Vontobel. The Company fulfils its corporate responsibility in every sense - an achievement for which it regularly wins awards. Vontobel is a member of the Corporate Support Group, established by the International Committee of the Red Cross (ICRC). As part of this partnership, in 2022 Vontobel once again launched an internal fundraising initiative. The Vontobel Fundraising Initiative 2022 supported the ICRC's programme to provide aid to the refugees from Ukraine.

The world is facing powerful trends involving major economic, environmental and social changes. These trends result in risks and opportunities for investors. Through the incorporation of ESG (Environmental, Social and Governance) considerations into its investment processes, Vontobel aims at improving the long-term risk-return characteristics of its portfolios and/or at reflecting clients' values. Vontobel strongly believes an effective identification of material ESG risks and opportunities requires thorough analysis, because material ESG factors are often of a medium to long-term nature and difficult to quantify as contributors to near term performance. For this reason, Vontobel emphasises the importance of transparent communication if, and how, material ESG considerations influence the decisions making.

##### Directors' duties

The directors have a duty to promote the success of the Company for the benefit of its members whilst having regard to the following (s172(1) Companies Act 2006) requirements:

- (a) the likely consequences of any decision in the long term,
- (b) the interest of the Company's employees,
- (c) the need to foster the Company's business relationships with suppliers, customers and others,
- (d) the impact of the Company's operations on the community and the environment,
- (e) the desirability of the Company maintaining a reputation for high standards of business conduct, and
- (f) the need to act fairly as between members of the Company.

##### Long-term decisions

As a leading investment company, the directors are committed to the long-term success of Vontobel. All strategic decisions consider the interests of Vontobel's key stakeholders including fund managers and banks, front-line organisations receiving investment, beneficiaries, shareholders and employees.

##### Interests of the Company's employees

Vontobel's Human Resources Principles (HR Principles) provide a framework for the strategic orientation and further development of personnel and management processes are aligned with the statements of Corporate Essence, the values and competencies (Beliefs & Behaviours) of Vontobel. Vontobel places considerable emphasis on supporting and developing its employees and promoting a diverse and inclusive culture. When recruiting, Vontobel attaches particular importance to performance-oriented, honest, socially and professionally competent employees who are team players and enthusiastic, and who have identified development potential. Vontobel wants its employees to contribute their full potential to Vontobel. Vontobel's success is decisively influenced by the skills and commitment of its employees. Vontobel therefore attaches great importance to education and training. Vontobel takes great care in the development and advancement of its employees, because the success of Vontobel is also largely determined by the skills and commitment of its employees. For Vontobel, targeted training and continuing education to support its strategy is an important investment in the future.

## Vontobel Asset Management UK Holdings Ltd.

### Strategic report (continued) For the year ended 31 December 2022

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#### Statement by the directors in accordance with s172(1) Companies Act 2006 (continued)

##### Directors' duties (continued)

##### Relationships with suppliers, customers and others

Vontobel employees are close to their clients: Vontobel listens carefully to investors' needs in order to understand their goals and deliver solutions that fit. Vontobel engages with its clients when it matters, always with a clear and distinct point of view. Vontobel's competencies describe its employees' skills needed to achieve Vontobel's vision and best serve its clients. Vontobel employees take the client perspective in everything they do, from setting up internal processes to creating products and services, developing specialist advice and delivering cutting-edge solutions.

Vontobel thinks and acts exclusively from the client's perspective. Clients engage with Vontobel directly according to their needs and Vontobel is positioned in a way that enables it to offer all its clients the best solution for their specific needs. Asset Management will continue to focus primarily on institutional clients such as pension funds, insurance companies and sovereign wealth funds, as well as third-party banks in the wholesale fund business.

##### Community and Environment

Vontobel is committed to the principle of sustainable development by offering innovative investment services that take account of the opportunities and risks related to sustainability. Vontobel offers sustainable investment solutions and/or advice and cooperates closely in this area. Vontobel is committed to a long-term process of improving its approach to integrating ESG into its investment processes. Vontobel also believes that promoting sustainability through transparent communication is essential. As a result, Vontobel became a signatory of the UNPRI (United Nations supported Principles for Responsible Investment) in 2010 and the UN Global Compact in 2017.

Vontobel's commitment to operating responsibly has been enshrined in its corporate culture ever since the Company was founded. Vontobel assigns importance to various aspects of sustainability: Vontobel has published a comprehensive Sustainability Report each year since 2006 and Vontobel has been climate neutral since 2009. Vontobel signed the UNPRI in 2010. In 2021, Vontobel Asset Management UK Holdings Ltd. and TwentyFour Asset Management LLP became first list signatories of the UK Stewardship Code 2020. Renowned rating agencies such as MSCI, CDP and Sustainalytics have assigned Vontobel above average sustainability ratings. Vontobel also offers its clients sustainable investments solutions. This area has experienced significant growth in recent years and Vontobel has established a strong market position: Vontobel currently manages investments of more than CHF 144 billion according to sustainability criteria.

##### Business Conduct

Vontobel is committed to the responsible, value-oriented management and control of the Company. Corporate governance is a central factor in determining Vontobel's business success. It is an essential prerequisite to achieve Vontobel's strategic corporate goals and create lasting value for its shareholders and all other stakeholders. The core elements of Vontobel's corporate governance are:

1. The clearly defined, balanced division of responsibilities between the Board of Directors and the Executive Board.
2. The protection of shareholder interests.
3. The provision of transparent information to the public.

## Vontobel Asset Management UK Holdings Ltd.

### Strategic report (continued) For the year ended 31 December 2022

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Statement by the directors in accordance with s172(1) Companies Act 2006 (continued)

Directors' duties (continued)

Act fairly between members

Vontobel Asset Management UK Holdings Ltd. has a sole shareholder, Vontobel Holding AG, and complies with its annual obligation to circulate a copy of its audited accounts to its shareholder pursuant to s423 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

DocuSigned by:  
*Jan Marxfeld*  
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**J Marxfeld**  
Director

Date: 03-Jul-2023

# Vontobel Asset Management UK Holdings Ltd.

## Directors' report For the year ended 31 December 2022

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The directors present their report and the audited financial statements of Vontobel Asset Management UK Holdings Ltd. ("the Company") for the year ended 31 December 2022.

### Principal activity

The Company's principal activity is that of a holding company. It fully owns the membership interest of TwentyFour Asset Management LLP.

### Results and dividends

The profit for the year, after taxation, amounted to £24,134,345 (2021 - £26,129,008).

The directors do not recommend payment of a dividend during the year (2021 - £Nil).

### Matters covered in the Strategic report

The directors have included statements relating to the review of the business and future developments and the principal risks and uncertainties facing the Company in the Strategic report.

### Going concern

The going concern of the Company is dependent on the success of its subsidiary, TwentyFour Asset Management LLP.

The directors of the Company have reviewed updated forecasts for the expected impacts on the Company for the following 12 month period and are satisfied that the Company is able to continue as a going concern for the foreseeable future, which is at least 12 months from the date of approval of these financial statements. In addition the Company is supported by its parent entity Vontobel Holding AG. As a result, these financial statements have been prepared on a going concern basis.

### Post balance sheet events

On 2 June 2023, the Company received the final profit distribution for the financial year 2022 from TwentyFour Asset Management LLP of £11,410,830.

On 14 April 2023, the Company paid, as part of the purchase price for the remaining 40% membership interest of TwentyFour Asset Management LLP bought on 30 June 2021, an amount of £1,444,277 to the selling partners.

### Environmental matters

As set out in the Strategic report, the Company's sole purpose as a holding company is to own the full membership interest of TwentyFour Asset Management LLP. Furthermore, the Company does not have any employees other than the directors and does not engage in any direct client and business activities. As such the Company only has very limited impact on the environment. The Company consumed less than 40,000 kWh of energy in the UK during the year.

### Engagement with suppliers, customers and others

As set out in the Strategic report the Company's counterparties are TwentyFour Asset Management LLP and Bank Vontobel AG. The Company does not have any other suppliers or customers. However the directors have had regard to foster the Company's relationships with these counterparties and others, and the effect this regard has had on the principal decisions of the Company made in the year is included in the statement by the directors in accordance with s172(1) Companies Act 2006 in the Strategic report on pages 2-4.

## **Vontobel Asset Management UK Holdings Ltd.**

### **Directors' report (continued) For the year ended 31 December 2022**

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#### **Directors**

The directors who served during the year, and up to the date of signing these financial statements, were:

S Bowers  
A Raisman  
F Battig (resigned 30 January 2023)  
J Marxfeld (appointed 30 January 2023)

#### **Qualifying third party indemnity provisions**

The Company's ultimate parent company, Vontobel Holding AG ("Vontobel"), incorporated in Switzerland, has a mandate agreement with the directors which states that Vontobel Holding AG undertakes in its name (and on behalf of its legal successors) to hold harmless the directors against all claims which could be made against the directors as members of the board of directors of the Company or in any other function related to the exercising of rights and obligations arising from this mandate agreement. Vontobel's Director and Officers ("D&O") Insurance is primarily responsible for this coverage.

This hold harmless clause in the mandate agreement does not apply in cases where the mandate agreement is willfully or by negligence breached. However a slight degree of negligence is not considered relevant.

The D&O insurance is compliant with UK law and does not cover:

- criminal fine or fines imposed by a regulator which are payable by a director; or
- a liability incurred by a director in defending criminal proceedings in which he is convicted.

#### **Existence of branches of the Company outside of the United Kingdom**

The Company has no branches outside of the United Kingdom.

#### **Directors' responsibilities statement**

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

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

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

## Vontobel Asset Management UK Holdings Ltd.

### Directors' report (continued) For the year ended 31 December 2022

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#### Directors' responsibilities statement (continued)

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

#### Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

#### Auditor

The auditor, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf by:

DocuSigned by:  
  
05F69818E92C40A...  
**J Marxfeld**  
Director

Date: 03-Jul-2023

## **Vontobel Asset Management UK Holdings Ltd.**

### **Independent auditor's report to the shareholders of Vontobel Asset Management UK Holdings Ltd.**

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#### **Opinion**

We have audited the financial statements of Vontobel Asset Management UK Holdings Ltd. (the "Company") for the year ended 31 December 2022, which comprise the Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 18, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("United Kingdom Generally Accepted Accounting Practice").

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusion relating to going concern**

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.

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.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Company's ability to continue as a going concern.

## **Vontobel Asset Management UK Holdings Ltd.**

### **Independent auditor's report to the shareholders of Vontobel Asset Management UK Holdings Ltd. (continued)**

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#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

## **Vontobel Asset Management UK Holdings Ltd.**

### **Independent auditor's report to the shareholders of Vontobel Asset Management UK Holdings Ltd. (continued)**

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#### **Responsibilities of directors**

As explained more fully in the Directors' responsibilities statement set out on page 6, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

#### **Auditor's 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 auditor's 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.

#### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (United Kingdom Generally Accepted Accounting Practice) and the Companies Act 2006.
- We understood how the Company is complying with those frameworks by making enquiries of management and seeking representations from those charged with governance to understand how management maintains and communicates its policies and procedures in these areas. We corroborated this by reviewing supporting documentation including Board of Directors' meeting minutes.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering risk of management override of internal controls. We performed journal entry testing, with a focus on journals indicating large or unusual transactions based on our understanding of the business. We tested specific transactions reconciling to source documentation or independent confirmation, ensuring appropriate authorisation of the transactions.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management and those charged with governance, review of legal and professional expense, and review of Board of Directors' meeting minutes.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Vontobel Asset Management UK Holdings Ltd.

### Independent auditor's report to the shareholders of Vontobel Asset Management UK Holdings Ltd. (continued)

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#### Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

*Ernst & Young LLP*

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Sarah Langston (Senior statutory auditor)

for and on behalf of

**Ernst & Young LLP, Statutory Auditor**

London

Date: 03 July 2023

## Vontobel Asset Management UK Holdings Ltd.

### Statement of comprehensive income For the year ended 31 December 2022

	Note	2022 £	2021 £
Administrative expenses		(39,439)	(31,055)
Income from investments		37,918,055	35,760,984
<b>Operating profit</b>	4	<b>37,878,616</b>	35,729,929
Interest receivable and similar income	6	149,189	-
Interest payable and similar charges	7	(8,161,594)	(3,458,088)
<b>Profit before taxation</b>		<b>29,866,211</b>	32,271,841
Taxation on profit	8	(5,731,866)	(6,142,833)
<b>Profit for the financial year and total comprehensive income for the year</b>		<b>24,134,345</b>	26,129,008

All amounts related to continuing activities.

The notes on pages 15 to 23 form part of these financial statements.

**Vontobel Asset Management UK Holdings Ltd.**

Registered number: 09506987

**Balance sheet  
As at 31 December 2022**

	Note	2022 £	2022 £	2021 £	2021 £
<b>Fixed assets</b>					
Investments	9		295,224,257		293,779,980
<b>Current assets</b>					
Debtors: amounts falling due within one year	10	14,957,541		6,609,479	
Cash at bank and in hand		9,475,113		32,603,390	
		<u>24,432,654</u>		<u>39,212,869</u>	
Creditors: amounts falling due within one year	11	(1,598,164)		(5,068,447)	
<b>Net current assets</b>			<u>22,834,490</u>		<u>34,144,422</u>
<b>Total assets less current liabilities</b>			<u>318,058,747</u>		<u>327,924,402</u>
Creditors: amounts falling due after more than one year	12		(185,000,000)		(219,000,000)
<b>Net assets</b>			<u><u>133,058,747</u></u>		<u><u>108,924,402</u></u>
<b>Capital and reserves</b>					
Called up share capital	13,14		26,000,000		26,000,000
Profit and loss account	14		107,058,747		82,924,402
<b>Total equity</b>			<u><u>133,058,747</u></u>		<u><u>108,924,402</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

DocuSigned by:  
  
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**J Marxfeld**  
 Director

Date: 03-Jul-2023

The notes on pages 15 to 23 form part of these financial statements.

## Vontobel Asset Management UK Holdings Ltd.

### Statement of changes in equity For the year ended 31 December 2022

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2022	26,000,000	82,924,402	108,924,402
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	24,134,345	24,134,345
<b>At 31 December 2022</b>	<u>26,000,000</u>	<u>107,058,747</u>	<u>133,058,747</u>

### Statement of changes in equity For the year ended 31 December 2021

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2021	26,000,000	56,795,394	82,795,394
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	26,129,008	26,129,008
<b>At 31 December 2021</b>	<u>26,000,000</u>	<u>82,924,402</u>	<u>108,924,402</u>

The notes on pages 15 to 23 form part of these financial statements.

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

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### 1. General information

Vontobel Asset Management UK Holdings Ltd. ("the Company") is a private company limited by shares which is incorporated and domiciled in England and Wales under the Companies Act 2006.

The address of the registered office is given on the Company Information page. The nature of the Company's operations and its principal activities are set out in the Strategic report and Directors' report on pages 1 and 5 respectively.

### 2. Accounting policies

#### Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Companies Act 2006.

The financial statements contain information about Vontobel Asset Management UK Holdings Ltd. as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as the results of the Company and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent company, Vontobel Holding AG, a company incorporated in Switzerland. The consolidated financial statements are available to the public and may be obtained from its registered office, Gotthardstrasse 43, CH-8022, Zurich, Switzerland.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

#### Financial Reporting Standard 102 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 for qualifying entities.

- Section 3 Financial Statement Presentation paragraph 3.17(d) and section 7 Statement of Cash Flows not to prepare a statement of cash flows; and
- Section 33 Related Party Disclosures paragraph 33.7 not to disclose key management personnel; compensation in total.

The Company's results are included in the publicly available consolidated financial statements of Vontobel Holding AG and these financial statements may be obtained from its registered office, Gotthardstrasse 43, CH-8022, Zurich, Switzerland.

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

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### 2. Accounting policies (continued)

#### Going concern

The going concern of the Company is dependent on the success of its subsidiary, TwentyFour Asset Management LLP.

The directors of the Company have reviewed updated forecasts for the expected impacts on the Company for the following 12 month period and are satisfied that the Company is able to continue as a going concern for the foreseeable future, which is at least 12 months from the date of approval of these financial statements. In addition the Company is supported by its parent entity Vontobel Holding AG. As a result, these financial statements have been prepared on a going concern basis.

#### Functional and presentation currency

The Company's functional and presentation currency is GBP.

#### Income from investments

The Company is a member of TwentyFour Asset Management LLP and is entitled to an allocation of the profit or loss of the partnership for each year ended 31 December. The Company's allocation of profit or loss each year is recognised in profit or loss in the year in which the profit is generated.

#### Interest income

Interest income is recognised in profit or loss using the effective interest method.

#### Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

#### Current taxation

The tax expense for the year comprises current tax. Tax is recognised in profit or loss, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance sheet date in the countries where the Company operates and generates income.

#### Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

## Vontobel Asset Management UK Holdings Ltd.

### Notes to the financial statements For the year ended 31 December 2022

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#### 2. Accounting policies (continued)

##### Financial instruments

###### *Financial assets*

Financial assets are initially measured at transaction price (including transaction cost) and subsequently held at cost, less any impairment. The Company's financial assets comprise cash at bank in hand, amounts owed by group undertakings and amounts receivable from investments.

###### *Financial liabilities and equity*

Financial liabilities and equity are classified according to the substance of the financial instruments contractual obligations, rather than the financial instrument's legal form. Financial liabilities are initially measured at transaction price (including transaction costs) and subsequently held at amortised cost. The Company's financial liabilities comprise loans from group companies and accruals.

#### 3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The key assumptions concerning the future, and other key sources of estimation uncertainty at the Balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

In preparing the financial statements, the directors have made the following judgement:

- Determining whether there are indicators of impairment of the Company's fixed asset investments and the Company's debtors. Factors taken into consideration in reaching a decision include the economic viability and expected future financial performance of the investments and debtors as well as any significant changes to the technological, market, economic or legal environment in which the investment and debtors operation.

The Company's directors are of the opinion that there are no further estimates and assumptions that have a significant risk of causing material adjustment to the carrying value of assets and liabilities for the Company within the next financial year.

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

### 4. Operating profit

The operating profit is stated after charging/(crediting):

	2022 £	2021 £
Income from TwentyFour Asset Management LLP	(37,918,055)	(35,760,984)
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	5,000	5,000

### 5. Employees and directors

The Company has no employees other than the directors, who did not receive any remuneration in respect of their qualifying services to the Company during the year (2021 - £Nil).

### 6. Interest receivable and similar income

	2022 £	2021 £
Interest receivable from group companies	149,189	-

Interest receivable from group companies represents accrued interest on short-term intercompany receivable deposits which has been repaid in the year.

### 7. Interest payable and similar expenses

	2022 £	2021 £
Loan interest payable to group companies	8,049,688	3,358,088
Other interest payable	111,906	100,000
	8,161,594	3,458,088

Loan interest payable to group companies represents amounts payable in respect of the Company's loan from Vontobel Holding AG (see note 12).

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

### 8. Taxation on profit

	2022 £	2021 £
<b>Corporation tax</b>		
Current tax on profits for the year	5,691,293	6,131,650
Adjustments in respect of previous periods	40,573	11,183
<b>Total current tax</b>	<b>5,731,866</b>	<b>6,142,833</b>

### Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	29,866,211	32,271,841
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	5,674,580	6,131,650
<b>Effects of:</b>		
Adjustments to brought forward values	16,713	-
Adjustments to tax charge in respect of prior periods	40,573	11,183
<b>Total tax charge for the year</b>	<b>5,731,866</b>	<b>6,142,833</b>

### Factors that may affect future tax charges

As part of the changes to the corporation tax rate, substantively enacted as part of the Finance Act 2021 on 24 May 2021, the main rate of corporation tax was increased to 25% with effect from 1 April 2023.

There were no other factors that may affect future tax charges.

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

### 9. Investments

	Investments in subsidiary undertakings £
<b>Cost</b>	
At 1 January 2022	293,779,980
Additions	1,444,277
At 31 December 2022	<u>295,224,257</u>

Additions for the year include a cash payment of £1,444,277 (equivalent to CHF 1,603,320) made in April 2023 relating to the deferred consideration on the purchase of the remaining membership interest of TwentyFour Asset Management LLP, which was accrued at the balance sheet date.

In January 2024, the final installment of the purchase price will be paid in Vontobel Holding AG shares and allocated to the selling partners that fulfill the vesting conditions in January 2024. The (rounded) number of shares will be 535,440. This is currently estimated to be equivalent to CHF 32,822,472.

The directors have reviewed the carrying value of the investment in its subsidiary undertaking for both the current and prior year and conclude that there is no impairment provision required.

#### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
TwentyFour Asset Management LLP	8th Floor, The Monument Building, 11 Monument Street, London, England, EC3R 8AF	Interest in partnership	100%
TwentyFour Asset Management (US) Holdings LLC*	1540 Broadway, 38th Floor, 10036 New York, USA	Ordinary shares	100%
TwentyFour Asset Management (US) LP*	1540 Broadway, 38th Floor, 10036 New York, USA	Interest in partnership	100%
Vontobel TwentyFour Chile SpA*	4th Floor, 403-404 3977 Narciso Goycolea Vitacura 0, Santiago, Chile	Ordinary shares	100%
TwentyFour AM Ltd.*	8th Floor, The Monument Building, 11 Monument Street, London, England, EC3R 8AF	Ordinary shares	100%

\* Indirectly held

TwentyFour Asset Management LLP's principal activity is investment management and advisory services.

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

### 10. Debtors: amounts falling due within one year

	2022 £	2021 £
Amounts receivable from investments	11,410,830	6,609,479
Other debtors	52,216	-
Corporation tax	3,494,495	-
	<u>14,957,541</u>	<u>6,609,479</u>

Amounts receivable from investments are repayable on demand and interest free.

### 11. Creditors: amounts falling due within one year

	2022 £	2021 £
Corporation tax	-	3,620,304
Accruals	1,598,164	1,448,143
	<u>1,598,164</u>	<u>5,068,447</u>

### 12. Creditors: amounts falling due after more than one year

	2022 £	2021 £
Loans from group companies	<u>185,000,000</u>	<u>219,000,000</u>

In 2015 the Company entered into a loan agreement with its ultimate parent company, Vontobel Holding AG, to finance the Company's investment in the 60% controlling membership interest of TwentyFour Asset Management LLP. On 25 June 2021, the loan was replaced with a line of credit up to the amount of £300 million, to finance the Company's investment in the remaining 40% membership interest of TwentyFour Asset Management LLP. The facility is repayable by 30 June 2027. This facility is unsecured and may be terminated by the parent with 30 days' notice, by which time the outstanding obligation must be repaid. The loan accrues interest at a variable rate ("benchmark interest rate") equivalent to GBP Swap vs. SONIA 6-month rate plus an adjustment of 0.2766% plus 250 basis points (2021 - 6 month GBP LIBOR plus 250 basis points). If the benchmark interest rate is less than zero, then the interest rate is deemed to be zero. Interest is repayable bi-annually on 30 June and 31 December each year. No issue costs were incurred. At the year end, the outstanding amount totalled £185,000,000.

# Vontobel Asset Management UK Holdings Ltd.

## Notes to the financial statements For the year ended 31 December 2022

### 13. Called up share capital

	2022 £	2021 £
<b>Authorised, allotted, called up and fully paid</b>		
26,000,000 (2021 - 26,000,000) Ordinary shares of £1.00 each	<b>26,000,000</b>	26,000,000

Each share entitles the holder thereof to cast one vote on a show of hands and one vote per share held in a poll vote. Each holder is entitled to dividends pro rata to his paid-up holding. Each holder is entitled to receive, pro rata to his holding, a proportion of assets of the Company on a winding up. The shares carry no rights of redemption.

### 14. Capital and Reserves

#### Called up share capital

Called up share capital represents the nominal value of the shares issued.

#### Profit and loss account

The profit and loss account reserve represents cumulative profits, losses and total other recognised gains or losses made by the Company, including distributions to, and contributions by, the parent company.

### 15. Capital commitments

In January 2024, the final installment of the purchase price will be paid in Vontobel Holding AG shares and allocated to the selling partners that fulfill the vesting conditions in January 2024. The (rounded) number of shares will be 535,440. This is currently estimated to be equivalent to CHF 32,822,472.

### 16. Related party transactions

The Company owns the full membership interest of TwentyFour Asset Management LLP.

Details of related party transactions with TwentyFour Asset Management LLP are set out in notes 4 and 10 of the financial statements. At the year end the amount outstanding from TwentyFour Asset Management LLP was £11,410,830 (2021 - £6,609,479).

The Company entered into a loan agreement with its ultimate parent company, Vontobel Holding AG, to finance the Company's investment in TwentyFour Asset Management LLP. The loan accrues interest at a variable rate equivalent to GBP Swap vs. SONIA 6-month rate plus an adjustment of 0.2766% plus 250 base points ("benchmark interest rate"). If the benchmark interest rate is less than zero, then the interest rate is deemed to be zero. Interest is payable bi-annually on 30 June and 31 December each year. No issue costs were incurred and the loan is unsecured. At the year end, the outstanding amount totalled £185,000,000.

The Company holds all of its cash with Bank Vontobel AG in a current account denominated in GBP.

Details of related party transactions with the parent company are set out in notes 7 and 12 of the financial statements.

## **Vontobel Asset Management UK Holdings Ltd.**

### **Notes to the financial statements For the year ended 31 December 2022**

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#### **17. Post balance sheet events**

On 2 June 2023, the Company received the final profit distribution for the financial year 2022 from TwentyFour Asset Management LLP of £11,410,830.

On 14 April 2023, the Company paid, as part of the purchase price for the remaining 40% membership interest of TwentyFour Asset Management LLP bought on 30 June 2021, an amount of £1,444,277 to the selling partners.

#### **18. Ultimate parent company**

The Company's immediate and ultimate parent undertaking, as well the as the ultimate controlling party, is Vontobel Holding AG, a company incorporated in Switzerland.

Vontobel Holding AG is both the smallest and largest group of undertakings for which consolidated financial statements including Vontobel Asset Management UK Holdings Ltd. are prepared. The consolidated financial statements of Vontobel Holding AG are available to the public and may be obtained from its registered office, Gotthardstrasse 43, CH-8022, Zurich, Switzerland.