Company Number: 09542188

VICTOR ACQUISITIONS LIMITED

ANNUAL REPORT

31 DECEMBER 2019

STRATEGIC REPORT

The directors present their strategic report for the year ended 31 December 2019.

1. Introduction

The principal activity of Victor Acquisitions Limited (the company) is to undertake investment business.

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

The company primarily operates in a Euro environment. Accordingly, the company's functional currency is the Euro 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 2019. Comparative information has been presented for the year ended 31 December 2018.

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

The results for the year are shown in the profit and loss account on page 7. Loss before taxation for the year ended 31 December 2019 was €22.9 million (2018: loss of €1.4 million).

The company had total assets of €209.2 million as at 31 December 2019 (31 December 2018: €198.9 million) and total liabilities of €177.1 million (31 December 2018 €149.3 million).

During the year, the company issued 1,130,000 ordinary shares of €1 each to its parent, ELQ Holdings (UK) Ltd.

Post balance sheet events

In January 2020, the company received €247.1 million, as distributions from its immediate subsidiary, GP Offices and Apartments S.r.l., as a result of the subsidiary selling its remaining real estate assets. The distributions are as follows:

- €115.7 million, as full repayment of the shareholder loan and the outstanding interest accrued,

- €131.4 million, as dividend distribution and repayment of share capital.

Further in June 2020, the company paid €218.8 million to the immediate parent undertaking ELQ Holdings (UK) Ltd, via a partial shareholder loan repayment, dividend repayment and share capital repayment from distributable reserves created. The remaining amount has been used mainly to settle the company's short term creditors.

STRATEGIC REPORT (continued)

3. Future outlook and going concern

Since the balance sheet date there has been a global outbreak of a coronavirus disease (COVID-19) which has caused widespread disruption to financial markets and normal patterns of business activity across the world. At the date of signing the company had not incurred any material financial impact associated to COVID-19 however, in view of its evolving nature it is not currently possible to estimate any potential future financial effects of COVID-19 on the company.

The company had net current liabilities (excluding assets greater than 1 year) of €22.5 million as of 31 December 2019 (31 December 2018: €3.9 million). The directors have prepared these financial statements on a going concern basis, having considered the post balance sheet events (see note 19).

4. Exchange rate

The British pound / Euro exchange rate at the balance sheet date was £ / € 1.3625 (31 December 2018: £ / €1.1093). The average rate for the year was £ / € 1.3785 (31 December 2018: £ / € 1.1304).

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 also has some 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 17 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 maintaining 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 24 July 2020.

DIRECTORS' REPORT

The directors present their report and the audited financial statements for the year ended 31 December 2019.

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, 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 (2018: €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 were:

Name
F. Grena
J. A. Wiltshire
R. Thomas

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

6. Statement of directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations. Company law requires the directors to prepare financial statements for each financial period which give a true and fair view of the state of affairs of the company as at the end of the financial period and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;

DIRECTORS' REPORT (continued)

6. Statement of directors' responsibilities (continued)

- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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.

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

7. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 24 July 2020.

ON BEHALF OF THE BOARD

Fabrizio Grena
Director

Report on the audit of the financial statements

Our opinion

In our opinion, Victor Acquisitions Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2019; the Profit and Loss Account, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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.

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 the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require 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 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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 received 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
July 2020

PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2019

	Note	Year ended 31 December 2019 EUR	Year ended 31 December 2018 EUR
Administrative expenses	4	(23,010,563)	(3,396,484)
Interest receivable and similar income	5	1,459,764	3,585,613
Interest payable and similar expenses	6	(1,325,753)	(1,613,954)
LOSS BEFORE TAXATION		(22,876,552)	(1,424,825)
Tax on loss	9	4,246,601	214,591
LOSS FOR THE FINANCIAL YEAR		(18,629,951)	(1,210,234)

The 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.

BALANCE SHEET

as at 31 December 2019

	Note	31 December 2019 EUR	31 December 2018 EUR
FIXED ASSETS			
Investments	10	30,437,236	30,437,236
CURRENT ASSETS			
Debtors: Amounts falling due within one year	11	4,681,608	154,999
Debtors: Amounts falling due after more than one year	12	173,683,089	167,905,234
Cash at bank and in hand		359,949	360,430
		178,724,646	168,420,663
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	13	(27,496,280)	(4,408,099)
NET CURRENT ASSETS		151,228,366	164,012,564
TOTAL ASSETS LESS CURRENT LIABILITIES		181,665,602	194,449,800
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	14	(149,643,475)	(144,927,721)
NET ASSETS		32,022,127	49,522,078
CAPITAL AND RESERVES			
Called up share capital	15	47,857,065	46,727,065
Profit and loss account		(15,834,939)	2,795,012
TOTAL SHAREHOLDER'S FUNDS		32,022,127	49,522,078

The financial statements were approved by the Board of Directors on 24/07/20 and signed on its behalf by:

Director

Fabrizio Grena

The accompanying notes are an integral part of these financial statements.
Company number: 09542188

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2019

	Note	Called up share capital EUR	Profit and loss account EUR	Total shareholder's funds EUR
Balance at 1 January 2018		38,027,065	4,005,246	42,032,311
Loss for the financial year		-	(1,210,234)	(1,210,234)
Proceeds from shares issued		8,700,000	-	8,700,000
Balance at 31 December 2018		46,727,065	2,795,012	49,522,078
Loss for the financial year		-	(18,629,951)	(18,629,951)
Proceeds from shares issued	15	1,130,000	-	1,130,000
Balance at 31 December 2019		47,857,065	(15,834,939)	32,022,127

No dividends were paid in 2019 and 2018.

NOTES TO THE FINANCIAL STATEMENTS - 31 December 2019

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, United Kingdom, EC4A 4AU.

The immediate parent undertaking is ELQ Holdings (UK) Ltd, a company incorporated and domiciled in England and Wales.

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

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 and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

The following exemptions from disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the E.U. have been applied in the preparation of these financial statements in accordance with FRS 101:

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

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

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

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

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

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

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

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

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

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

2. ACCOUNTING POLICIES (continued)

b. Going concern

The company had net current liabilities (excluding assets greater than 1 year) of €22.5 million as of 31 December 2019. The directors have prepared these financial statements on a going concern basis, having considered the events disclosed in note 19.

c. Foreign currencies

The company's financial statements are presented in Euros, which is also the company's functional currency. Transactions denominated in foreign currencies are translated into Euro 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 Euro at rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account.

d. Fixed asset investments

Fixed asset investments comprises investments in subsidiary undertakings and is stated at cost less provision for any impairment.

e. Cash at bank and in hand

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

f. 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 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).

(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 liabilities.

- **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.

2. ACCOUNTING POLICIES (continued)

f. Financial assets and financial liabilities (continued)

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.

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

- **Financial liabilities measured at amortised cost**

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

(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 other financial assets and financial liabilities are presented on a gross basis in the balance sheet.

g. 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 substantially 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 at 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 the 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 years in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

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

4. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2019 EUR	Year ended 31 December 2018 EUR
Management fees charged by group undertakings (see note 7)	23,015,045	3,204,414
Foreign exchange gains	(4,963)	(18,847)
Bank charges	481	857
Other expenses	-	210,059
	23,010,563	**3,396,484**

The auditors' remuneration for the audit of the financial statements for the current year of €15,000 (2018: €15,000) has been borne by a group undertaking.

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2019 EUR	Year ended 31 December 2018 EUR
Interest on loans to group undertakings (see note 12)	**1,459,764**	**3,585,613**

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 31 December 2019 EUR	Year ended 31 December 2018 EUR
Interest on loans from group undertakings (see note 14)	**1,325,753**	**1,613,954**

7. 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 4).

8. 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 a trivial amount of their remuneration relates to the qualifying services provided to the company.

9. TAX ON LOSS

	Year ended 31 December 2019 EUR	Year ended 31 December 2018 EUR
Current tax:		
U.K. corporation tax	(4,346,545)	(214,591)
Adjustments in respect of prior periods	99,944	-
Total current tax credit	**(4,246,601)**	**(214,591)**

The table below presents a reconciliation between tax on loss and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 19% (2018: 19%) to the loss before taxation.

	Year ended 31 December 2019 EUR	Year ended 31 December 2018 EUR
Loss before taxation	(22,876,552)	(1,424,825)
Loss multiplied by the weighted average rate in the U.K. of 19.00%	(4,346,545)	(270,717)
Adjustment in respect of prior periods	99,944	56,126
Total tax on loss	**(4,246,601)**	**(214,591)**

10. FIXED ASSET INVESTMENTS

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

	Cost	Provisions for impairment	Net book Value
	EUR	EUR	EUR
At 1 January 2018	27,039,509	-	27,039,509
Additions	3,397,727	-	3,397,727
At 31 December 2018	**30,437,236**	-	**30,437,236**
Additions	-	-	-
At 31 December 2019	**30,437,236**	-	**30,437,236**

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	Holding and proportion of voting rights	Class shares held
Sviluppo Comparto 5 S.r.l.	Real Estate Investment Company	100%	Ordinary shares
GP Offices & Apartments S.r.l.	Real Estate Investment Company	100%	Ordinary shares

The registered office for both subsidiaries is Corso Vercelli, 40, Milan 20145, Italy.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2019	31 December 2018
	EUR	EUR
Amounts owed by group undertakings	4,681,608	-
Other debtors	-	154,999
	4,681,608	**154,999**

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

	31 December 2019	31 December 2018
	EUR	EUR
Long-term loans due from group undertakings	158,056,060	153,536,060
Interest on long-term loan from group undertakings	15,627,029	14,369,174
	173,683,089	**167,905,234**

Long term loans due from group undertakings comprise the following loans:

(i) €106,720,914 (2018: €102,200,914) receivable from GP Offices & Apartments S.r.l. represents a Euro denominated long-term loan with a final maturity of May 2038. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. During the year 2020, the loan has been fully repaid (see note 19); and

(ii) €51,335,146 (2018: €51,335,146) receivable from Sviluppo Comparto 5 S.r.l. represents a Euro denominated long-term loan with a final maturity of May 2038. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate.

During the year 2018, as part of the minority shares buyout, the existing loans were redesignated from junior and senior loans to long-term loan. Subsequent to the redesignation, the interest rates were changed from fixed rates (respectively 7% and 4% for the junior and senior tranche) to intercompany rates.

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2019	31 December 2018
	EUR	EUR
Amounts due to group undertakings	27,254,722	4,079,455
Corporation tax payable	241,558	328,644
	27,496,280	**4,408,099**

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

	31 December 2019	31 December 2018
	EUR	EUR
Long-term loan from group undertaking	142,983,191	139,593,191
Interest on long term loan from group undertaking	6,660,284	5,334,530
	149,643,475	**144,927,721**

Long-term loan from group undertaking represents a loan advanced by ELQ Holdings (UK) Ltd, the company's parent undertaking, under the terms of an existing loan agreement dated January 18, 2018. The loan is unsecured and carries interest at a variable margin over the applicable currency's overnight interest rate. The loan is repayable at the earlier of 367 days from when the lender demands repayment or January 18, 2038.

15. CALLED UP SHARE CAPITAL

At 31 December 2019 and 31 December 2018 share capital comprised:

	31 December 2019		31 December 2018	
	No.	EUR	No.	EUR
Allotted, called up and unpaid				
Ordinary Shares of £1 each	1	1	1	1
Allotted, called up and fully paid				
Ordinary Shares of €1 each	47,857,064	47,857,064	46,727,064	46,727,064
		47,857,065		**46,727,065**

During the year, the company issued 1,130,000 ordinary shares of €1 each at par to its immediate parent, ELQ Holdings (UK) Ltd.

Share capital issued is translated at the historic rates prevailing on the date of issuance.

16. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company had no financial commitments or contingencies outstanding at the year end (31 December 2018: €nil).

17. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

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

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

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

a. Market risk

Market risk is the risk of loss in value of investments, as well as certain 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. The relevant market risk for the company is interest rate 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 loss before taxation for the year ended 31 December 2019 would have been €670 higher/lower (2018: €0.07 million). 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.

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

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

The company's functional currency is Euro. At 31 December 2019, the company had no material net exposures to other currencies (31 December 2018: none)

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 2019 and 31 December 2018. The company's credit exposure are described further below:

Debtors: The company is exposed to credit risk from its amount due from group undertakings, for which the credit risk is considered minimal. As at December 2019, the company had no debtors past due (31 December 2018: Nil).

c. Liquidity risk

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

18. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

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 2019					
	Less than 1 month	1-3 months	to 3 months 1 year	1-5 years	5+ years	Total
Financial liabilities	EUR	EUR	EUR	EUR	EUR	EUR
Creditors: amounts falling due within one year	27,254,722	-	-	-	-	27,254,722
Creditors: amounts falling due after more than one year	-	-	-	-	442,422,945	442,422,945
Total – on balance sheet	**27,254,722**	-	-	-	**442,422,945**	**469,677,667**

	31 December 2018					
	Less than 1 month	1-3 months	to 3 months 1 year	1-5 years	5+ years	Total
Financial liabilities	EUR	EUR	EUR	EUR	EUR	EUR
Creditors: amounts falling due within one year	4,079,455	-	-	-	-	4,079,455
Creditors: amounts falling due after more than one year	-	-	-	-	540,576,907	540,576,907
Total – on balance sheet	**4,079,455**	-	-	-	**540,576,907**	**544,656,362**

19. POST BALANCE SHEET EVENTS

Since the balance sheet date there has been a global outbreak of a coronavirus disease (COVID-19) which has caused widespread disruption to financial markets and normal patterns of business activity across the world. At the date of signing the company had not incurred any material financial impact associated to COVID-19 however, in view of its evolving nature it is not currently possible to estimate any potential future financial effects of COVID-19 on the company.

Subsequent to the year end, the following events occurred:

In January 2020, the company received €247.1 million, as distributions from its immediate subsidiary, GP Offices and Apartments S.r.l., as a result of the subsidiary selling its remaining real estate assets. The distributions are as follows:

- €115.7 million, as full repayment of the shareholder loan and the outstanding interest accrued,

- €131.4 million, as dividend distribution and repayment of share capital.

In June 2020, the company paid €218.8 million to the immediate parent undertaking ELQ Holdings (UK) Ltd, via a partial shareholder loan repayment, dividend repayment and share capital repayment from distributable reserves created. The remaining amount has been used mainly to settle the company's short term creditors.