CREDIT SUISSE

Annual Report 2022

CREDIT SUISSE ASSET MANAGEMENT (UK) HOLDING LIMITED

COMPANY REGISTRATION NUMBER: 03045295

CREDIT SUISSE

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Company Information

Board of Directors as at 26 April 2023 (forms part of the Directors' Report)
Marc Berryman
Jo McCaffrey

Company Secretary
Paul Hare

Company Registration Number
03045295

Registered Office

One Cabot Square
London
E14 4QJ

Independent Auditors

PricewaterhouseCoopers LLP
7 More London Riverside
London
SE1 2RT
United Kingdom

Strategic Report for the year ended 31 December 2022

Principal Activities and Entity Structure

Credit Suisse Asset Management (UK) Holding Limited (the 'Company' or 'CSAMH') is a private limited company by shares that is domiciled and registered in the United Kingdom ('UK'), and is partly (77.52%) owned by Credit Suisse AG ('CSAG') and partly (22.48%) by Credit Suisse Holding Europe (Luxembourg) S.A. CSAG is domiciled in Switzerland and its ultimate parent is Credit Suisse Group AG ('CSG'), which is the parent of a worldwide group of companies (collectively referred to as the 'CS group').

The principal activity of CSAMH is that of a holding company for its subsidiary, Credit Suisse Asset Management Limited ('CSAML'). CSAML is a limited company domiciled in the UK and is authorised and regulated by the Financial Conduct Authority ('FCA'). CSAML's principal activities are the provision of management and advisory services, placement agency and advisory services to third party private equity managers, and the provision of sales and marketing support to Credit Suisse's global Asset Management group via its distribution group.

The directors present their Strategic Report, Directors' Report and the Financial Statements for the year ended 31 December 2022.

Performance

Key Performance Indicators ('KPI')

CSAMH uses a range of KPIs to manage its financial position.

	2022	2021
Earnings and Profitability		
(Loss) / Profit before tax	(92,562)	(16)
Statement of Financial Position		
Total assets	66,055	164,752

Earnings and Profitability
For the year ended 31 December 2022, the Company reported a loss after tax of £92,562k (2021: loss of £16k). Most of the loss in 2022 is attributable to the impairment of the investment in the subsidiary.

The Company's operating expenses were £47k in 2022 (2021: £37k). Predominantly, the operating expenses consist of statutory audit and other fees. Please refer to Note 4 - Operating expenses.

Statement of Financial Position
As at 31 December 2022, CSAMH had total assets of £66,055k (2021: £164,752k) and total equity of £65,902k (2021: £159,039k).

Principal Risks

CSAMH is a holding company and its main risk is that of impairment of its investment in its subsidiary. Following an impairment assessment in 2022, CSAMH's investment in CSAML was impaired from £131.9m to £39.4m.

CSAMH also faces credit risk on its receivables, which are primarily from other CS group companies. CSAMH's financial risk management objectives and policies are outlined in Note 12 - Financial risk management. The risks for CSAMH are actively managed within its subsidiary.

Capital and Liquidity

The CSAMH regulatory consolidation group ('the CSAMH Group') contains CSAMH and its subsidiary CSAML. CSAMH, the unregulated UK holding company, does not have to calculate consolidated capital compliance. Instead it is subject to the FCA's Group Capital Test ('GCT') as set out in MIFIDPRU 2.6 of FCA handbook under the new prudential regime Investment Firms Prudential Regime ('IFPR') that came into force on 1 January 2022. The CSAMH Group is subject to consolidated regulatory supervision by the FCA. Both CSAMH Group and CSAML, closely monitors its capital position on a continuing basis to ensure ongoing stability and support of its business activities. This monitoring takes account of the requirements of the new regulatory regime under IFPR and any forthcoming changes to the capital framework. The CSAG continues to provide confirmation that it will provide sufficient funding to CSAMH to ensure that it maintains a sound financial situation and is in a position to meet its debt obligations.

CSAML is required to make disclosure under MIFIDPRU on an individual basis and can be found separately at www.credit-suisse.com.

Subsequent Events

On 19 March 2023, it was announced that Credit Suisse Group AG and UBS Group AG ('UBS') have entered into a an agreement and plan of merger ('the merger'), to be completed at a date yet to be determined, CSAMH is a consolidated subsidiary of Credit Suisse Group AG, and as such the future operations and financial performance CSAMH may be impacted as a result of the merger. There can be no certainty that CSAMH will not itself become liquidated or otherwise merged with another UBS Group AG subsidiary following completion of the merger.

Based on the merger developments discussed above, the following accounting impacts on the financial statements have occurred or are expected to occur for periods ending after 19 March 2023.

Deferred Tax Asset
As at 31 December 2022, CSAMH has a net deferred tax asset of £0.9m. Based on the merger agreement, CSAMH believes an impairment loss on this balance sheet position is probable but is not yet estimable at this time.

On behalf of the Board

Marc Berryman
Director

One Cabot Square
London E14 4QJ
26 April 2023

Directors' Report

Directors

The directors of the Company who were in office during 2022 and up to the date of signing the Financial Statements are set out on page 3. Changes in the directorate from 1 January 2022 to the date of this report are as follows:

- **Appointments:** Jo McCaffrey appointed on 11 November 2022 to the Board.
- **Resignations:** Tracy Cherrington resigned on 4 October 2022 from the Board.

None of the directors who held office at the end of the financial year were directly beneficially interested, at any time during the year, in CSAMH's shares. CSAMH's directors benefited from qualifying third party indemnity provisions in place during the financial year and at the date of this report.

Dividends

No dividends were paid or are proposed for the year ended 31 December 2022 (2021: nil).

Political Donations

No political donations were made or political expenditure incurred during the 2022 financial year (2021: nil).

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, the Directors' Report and the Financial Statements of the Company in accordance with applicable law and regulations.

Company law requires the directors to prepare CSAMH's Financial Statements for each financial year. Under that law, the directors have prepared the CSAMH Financial Statements in accordance with UK-adopted international accounting standards ('UK-adopted IFRS's').

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;
- State whether, for CSAMH, applicable UK-adopted International Accounting Standards 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
- Assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the Company will not continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that its Financial Statements comply with the Companies Act 2006.

The directors are responsible for the maintenance and integrity of the Company's Financial Statements. Legislation in the United Kingdom governing the preparation and dissemination of Financial Statements may differ from legislation in other jurisdictions.

Directors' Confirmations

The directors confirm to the best of their knowledge:

- The Financial Statements, prepared in accordance with UK-adopted International Accounting Standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of CSAMH and;

- The Strategic Report includes a fair, review of the development and performance of the business and the position of CSAMH, together with a description of the principal risks and uncertainties faced.

In the case of each director in office at the date the directors' report is approved;

- so far as the director is aware, there is no relevant audit information of which CSAMH's auditors are not aware; and

- they have taken all steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that CSAM's auditors are aware of that information.

Risk and Capital

The risks are detailed in Note 12 - Financial risk management. Changes made to the capital structure are set out in Note 8 - Called-up share capital.

Going Concern

Going Concern is detailed in Note-2. Significant accounting policies.

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and PricewaterhouseCoopers LLP will therefore continue in office as external auditors.

Exemption from Preparation of Group Accounts

Pursuant to section 401 of the Companies Act, 2006, CSAMH is exempt from preparing and delivering group financial statements as the company is a wholly-owned indirect subsidiary of CSG, incorporated in Switzerland, which prepares consolidated financial statements.

Subsequent Events

Subsequent events following the year ended 31 December 2022 are set out in Note 13 - Subsequent events.

On behalf of the Board

Marc Berryman
Director

One Cabot Square
London E14 4QJ
26 April 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CREDIT SUISSE ASSET MANAGEMENT (UK) HOLDING LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Credit Suisse Asset Management (UK) Holding Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its loss and cash flows for the year then ended;
- have been properly prepared in accordance with UK-adopted international accounting standards; 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 Statement of Financial Position as at 31 December 2022; the Statement of Income, Statement of Changes in Equity and Statement of Cash Flows 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.

Material uncertainty related to going concern

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in note 2 to the financial statements concerning the company's ability to continue as a going concern.

The company is a member of the group ("CS group") headed by their ultimate parent, Credit Suisse Group AG ("CS Group AG"). The company is dependent on ongoing support from other members of the CS group, in order to continue in operation. Following a period of severe stress the CS Group AG has entered into an agreement to merge with UBS Group AG. At the date of approval of these financial statements, the merger has not been completed and the impact of the plan of merger on the future operation of the company has not been confirmed. These circumstances, along with the other matters explained in note 2 to the financial statements, indicate the existence of a material uncertainty that may cast significant doubt on the ability of the company to continue as a going concern. The financial statements do not include the adjustments that would result if the company were unable to continue as a 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.

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 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

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

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We 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 posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing Board meeting and other relevant Committee minutes to identify any significant or unusual transactions or other matters that could require further investigation;
- Challenging assumptions and judgements made by management in determining significant accounting estimates, in particular those related to the recoverable amount of investments in subsidiaries; and
- Identifying and testing journal entries, including those posted with particular descriptions, relating to particular dates or with other unusual characteristics.

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.

Amena Shaista (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
26 April 2023

STATEMENT OF INCOME FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Net revenue		—	—
Operating expenses	4	(47)	(37)
Net foreign exchange (loss) / gain		(21)	21
Impairment of Investment in subsidiary	6	(92,494)	—
(Loss) / Profit before tax		**(92,562)**	**(16)**
Income tax (expense) / benefit	5	(575)	356
(Loss) / Profit after tax		**(93,137)**	**340**
(Loss) / Profit attributable to equity holders of the Company		**(93,137)**	**340**

There were no items of other comprehensive income during the year (2021: nil).

The notes on pages 15 to 32 form an integral part of these Financial Statements.

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Assets			
Current Assets			
Cash and due from banks		25,302	30,921
Current tax assets		313	252
Amounts owed by CS group companies		115	216
Other receivables		—	3
Non-current Assets			
Deferred tax assets	5	900	1,441
Investment in subsidiary	6	39,425	131,919
Total assets		**66,055**	**164,752**
Liabilities			
Current Liabilities			
Amounts owed to CS group companies		9	1,817
Other liabilities	7	56	614
Short-term borrowings		53	717
Non-current Liabilities			
Other liabilities	7	35	2,565
Total liabilities		**153**	**5,713**
Shareholders' equity			
Called up share Capital	8	144,199	144,199
Share premium account		23,198	23,198
Capital reserve		114,617	114,617
Retained earnings/ (Accumulated losses)		(216,112)	(122,975)
Total shareholders' equity		**65,902**	**159,039**
Total liabilities and shareholders' equity		**66,055**	**164,752**

The notes on pages 15 to 32 form an integral part of these Financial Statements.

The financial statements on pages 11 to 32 were approved by the Board on 26 April 2023 and signed on its behalf by

Marc Berryman
Director

COMPANY REGISTRATION NUMBER: 03045295

STATEMENT OF CHANGES IN EQUITY

	Called-up share capital	Share premium	Capital reserve	Accumulated losses	Total shareholders' equity
	£000	£000	£000	£000	£000
Balance as at 1 January 2021	**144,199**	**23,198**	**114,617**	**(123,315)**	**158,699**
Net profit for the year	—	—	—	340	340
Balance as at 1 January 2022	**144,199**	**23,198**	**114,617**	**(122,975)**	**159,039**
Net loss for the year	—	—	—	(93,137)	**(93,137)**
Balance as at 31 December 2022	**144,199**	**23,198**	**114,617**	**(216,112)**	**65,902**

The notes on pages 15 to 32 form an integral part of these Financial Statements.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022	2021
		£000	£000
Cash flows from operating activities			
Loss before tax for the year		(92,562)	(16)
Adjustments to reconcile loss before tax to net cash used in operating activities			
Non-cash items included in loss before tax:			
Impairment of investment in subsidiary		92,493	—
Net foreign exchange gain		(172)	(14)
Cash used in before changes in operating assets and liabilities		**(241)**	**(30)**
Amount owed by CS group companies		101	1,084
Other receivables		3	2
Net decrease in operating assets		**104**	**1,086**
Amount owed to CS group companies		(1,808)	1,216
Other liabilities	7	(3,088)	(1,809)
Net decrease in operating liabilities		**(4,896)**	**(593)**
Group relief (paid) / received		(94)	128
Net cash (used in)/generated from operating activities		**(5,127)**	**591**
Cash flows from investing activities			
Net cash used in investing activities		**—**	**—**
Cash flows from financing activities			
(Repayment) / issuance of short-term borrowings		(664)	663
Net cash (used in)/generated from financing activities		**(664)**	**663**
Net (decrease) /increase in cash and cash equivalents		**(5,791)**	**1,254**
Cash and cash equivalents at the beginning of the year		30,921	29,653
Effect of exchange rate fluctuations on cash and cash equivalents held		172	14
Cash and cash equivalents at the end of the year		**25,302**	**30,921**

The notes on pages 15 to 32 form an integral part of these Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General

The Company is a company incorporated and domiciled in the United Kingdom. The address of the Company's registered office is One Cabot Square, London E14 4QJ. The Financial Statements were authorised for issue by the directors on 26 April 2023.

2. Significant accounting policies

a) Statement of Compliance

These financial statements have been prepared in accordance with UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Pursuant to section 401 of the Companies Act 2006, the Company is exempt from preparing and delivering group financial statements as the Company is a wholly-owned indirect subsidiary of CSG, incorporated in Switzerland, which prepares Consolidated Financial Statements.

b) Basis of Preparation

The Company's financial statements are presented in Great British Pounds ('£' or 'GBP') rounded to the nearest thousand. They are prepared on the historical cost basis. The accounting policies set out below have, unless otherwise stated, been consistently applied to all the periods presented in these Financial Statements.

The preparation of financial statements in conformity with UK-adopted International Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. Critical accounting estimates and judgements applied to these Financial Statements are set out in Note 3 – Critical accounting estimates and judgements.

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 revision and future periods if the revision has a significant effect on both current and future periods.

Certain reclassifications have been made to the prior year financial statements of the Company to conform to the current year's presentation and none had any impact on net profit/(loss) or total equity of the Company. These reclassifications are not material.

Going Concern

The Board has assessed of the ability of CSAMH to continue as a going concern for a period of at least 12 months from the date of this report. Based on this assessment, the Board is satisfied that CSAMH has adequate resources to continue in operation for this period, and it therefore continues to adopt the going concern basis in preparing the financial statements.

CSAMH is reliant on funding from Credit Suisse AG ('CS AG') who have provided a letter of intent to ensure CSAMH can meet its debt obligations for the next 18 months. CS AG runs a global liquidity rebalancing process across its major legal entities to respond to liquidity demands across the consolidated group.

During Q1 2023 the financial stability of CSG and CS AG reached a critical point which resulted in an agreement to merge between CSG and UBS. During this period CSG has been reliant on funding from the Swiss government and the Swiss National Bank. CSG and CS AG have concluded they are operating as a going

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (continued)

concern but are reliant on the success of the merger. Due to CSAMH's reliance on CS AG and CSG, CSAMH's assessment of going concern is also dependent on the successful closing of the merger.

The Board have made enquiries to gain comfort on the going concern status of CS AG due to the reliance on the support CS AG provides to CSAMH. Due to the significant level of Swiss government and Swiss National Bank impetus and support for the transaction, as well as that of management of both banks, it is considered highly probable that the merger will be completed. The expectation is that requisite approvals will be obtained on a highly expedited basis, and there are no reasons to believe that any of the condition's precedent cannot be met. Accordingly, it is the expectation that liquidity and other facilities will remain in place. Any possible unforeseen developments or changes, which are currently considered as remote, would trigger a re-evaluation of this determination.

The Board has also exercised judgement and assessed the future plans for CSAMH under the new merger which are uncertain as at this time. However, should any decision be made in the near term to wind down the activities of CSAMH, such a process would be expected to occur in an orderly fashion. It is management's conclusion that even on an accelerated basis it would likely take longer than 12 months to wind down CSAMH's operations.

In considering the going concern, the directors also have reviewed the capital, liquidity, and financial position of CSAMH including forward looking plans.

CSAMH already has capital and liquidity surpluses to all regulatory and internal limits and under the merger they would expect to continue to do so.

These measures support the Board's assessment that CSAMH is a going concern. Despite this assessment, the directors would highlight that the outcome of the plan to merge CSG and UBS, along with any potential decision to change, liquidate or merge the Company with another UBS subsidiary following completion of the merger, represents a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern.

Standards and Interpretations Effective in the Current year

New and amended IFRS Standards applied with no material effect on the financial statements

The following new and revised IFRSs, which became effective for annual periods beginning on or after 1 January 2022, have been adopted in these financial statements.

New and revised IFRSs	Effective for annual periods beginning on or after
Annual Improvements to IFRS Standards 2018–2020	1 January 2022
Amendments to IAS 16 Property, Plant and Equipment - Proceeds before intended use	1 January 2022
Amendments to IFRS 3 Reference to the Conceptual Framework	1 January 2022
Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract	1 January 2022

The application of these revised IFRSs has not had any material impact on the amounts reported for the current and prior years but may affect the accounting for future transactions or arrangements.

New and revised IFRS in issue but not yet effective and not early adopted

The Company is not yet required to adopt the following standards and interpretations which are issued by the IASB but not yet effective.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (continued)

New and revised IFRSs	Effective for annual periods beginning on or after
Amendments to IAS 12 Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023
Amendments to IAS 1 Classification of Liabilities as Current or Non - current	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of accounting policies	1 January 2022
Amendments to IAS 8 - Definition of accounting estimates	1 January 2022
IFRS 17 - Insurance contracts	1 January 2022
Amendments to IFRS 10 and IAS 28-Sale or contribution of assets between an investor and its associate or joint venture	NA*

*In December 2015, the IASB decided to defer the application date of this amendment until such time as the IASB has finalised its research project on the equity method.

The management anticipates that these new standards, interpretations and amendments will be adopted in the Company's financial statements as and when they are applicable and the adoption of these new standards, interpretations and amendments may have no material impact on the financial statements of the Company in the period of initial application.

c) Interest Income and Expense

Interest income and expense is recognised for all financial assets and liabilities measured at amortised cost using the effective interest method.

d) Revenue

The Company does not have any active operation and remains a holding company of Credit Suisse Asset Management UK Ltd. Revenue is recognised on accrual basis.

e) Foreign Currency

The Company's functional currency is GBP. Transactions denominated in currencies other than GBP are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to GBP at the foreign exchange rate ruling at that date. Foreign exchange differences arising from translation are recognised in the statement of comprehensive income. Non-monetary assets and liabilities denominated in foreign currencies at the reporting date are not revalued for movements in foreign exchange rates.

f) Operating Expenses

Administrative expenses include audit fees and other personnel cost related to Quantitative Trading ('QT') business.

g) Income Tax and Deferred tax

Income tax recognised in the Statement of Income for the year comprises current and deferred taxes.

Income tax is recognised in the Statement of Income except to the extent that it relates to items recognised directly in equity, in which case the income tax is recognised in equity. For items initially recognised in equity and subsequently recognised in the Statement of Income, the related income tax initially recognised in equity is also subsequently recognised in the Statement of Income.

2. Significant accounting policies (continued)

Current tax is the expected tax payable on the taxable income for the year and includes any adjustment to tax payable in respect of previous years. Current tax is calculated using tax rates enacted or substantively enacted at the reporting date. Withholding taxes are also treated as income taxes.

For UK corporation tax purposes the Company may surrender or claim certain losses from another UK group company. The surrendering company will be compensated in full for the value of the tax losses surrendered to the claimant company. The surrendering entity will show a benefit received for the losses surrendered which will be recorded as a reduction to current tax expense and taxes payable whereas the claimant entity will have an increase in current tax expense and taxes payable respectively.

Deferred tax is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax-base. The principal temporary differences arise from deferred compensation. The amount of deferred tax provided is based on the amount at which it is expected to recover or settle the carrying amount of assets and liabilities in the Statement of Financial Position, using tax rates enacted or substantively enacted at the reporting date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised. A deferred tax liability is recognised on taxable temporary differences arising on un-remitted earnings of subsidiary except to the extent that it is probable that such temporary differences will not reverse in the foreseeable future.

Information as to the calculation of income tax on the profit or loss for the periods presented is included in Note 5 - Income tax benefit.

h) Cash and Due from Banks

For the purpose of preparation and presentation of the Statement of Cash Flows, cash and cash equivalents comprise the components of cash and due from banks that are short term, highly liquid instruments with original maturities of three months or less which are subject to an insignificant risk of changes in their fair value and that are held or utilised for the purpose of cash management.

Cash and cash equivalents are measured at amortised cost and are subject to impairment.

i) Other Receivables

Other receivables are initially recorded at fair value, plus any directly attributable transaction costs and subsequently are amortised on an effective interest method, less impairment losses.

j) Financial Assets and Liabilities

Financial assets are classified on the basis of two criteria: 1) the business model of why the financial assets are held and how they are managed and 2) the contractual cash flow characteristics of the financial asset. These factors determine whether the financial assets are measured at Amortised Cost, Fair Value through Other Comprehensive Income ('FVOCI') or Fair Value Through Profit & Loss ('FVTPL').

The business model assessments are performed by considering the way in which the financial assets are managed to achieve a particular business objective as determined by management. The assessment is made at the level at which the group of financial assets are managed. These assessments are based on reasonable expectations.

Financial liabilities include intra-group borrowings and payables. Intra-group borrowings, demand deposits and payables are recognised initially at fair value net of transaction costs. These liabilities are subsequently stated at

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Significant accounting policies (continued)

amortised cost using the effective interest rate method. Financial liabilities are classified as current unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

k) Impairment of Financial Assets

CSAMH assesses on a forward-looking basis the expected credit losses ('ECL') associated with its instruments carried at amortised cost, certain loan commitments and financial guarantee contracts including: Cash, interest-bearing deposits, loans and advances, reverse repurchase agreements, brokerage receivables. The impairment methodology applied depends on whether there has been a significant increase in credit risk. All financial assets attract a 12 month ECL on origination (Stage 1) except for loans that are purchased or originated credit-impaired. When credit risk has increased significantly since initial recognition of the financial instrument, the impairment measurement is changed from 12-month expected credit losses (Stage 1) to lifetime expected credit losses (Stage 2). The assessment of a significant increase in credit risk since initial recognition is based on different quantitative and qualitative factors that are relevant to the particular financial instrument in scope.

If the financial assets are credit-impaired they are then moved to Stage 3. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:
a) significant financial difficulty of the issuer or the borrower;
b) a breach of contract, such as a default or past due event;
c) the lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession(s) that the lender(s) would not otherwise consider;
d) it becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
e) the disappearance of an active market for that financial asset because of financial difficulties; or
f) the purchase or origination of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired.

Grouping financial assets measured on a collective basis
For Stage 1 and Stage 2 ECLs, financial assets are grouped based on shared credit risk characteristics, e.g. product type and geographic location. However, for each financial asset within the grouping an ECL is calculated based on the PD/LGD approach. Financial assets are grouped as follows:
- Financial institutions
- Corporates
- Fallback (assets not included in any of the above categories)

For all Stage 3 assets, regardless of the class of financial assets, the CSAMH calculates ECL on an individual basis.

Impairment on receivables

Receivables are initially recorded at fair value, plus any directly attributable transaction costs and subsequently are amortised on an effective interest method, less impairment losses. In the event of an impairment loss the effective interest will be re-estimated. When calculating the effective interest, the Company estimates cash flows considering all contractual terms of the financial instruments including premiums, discounts, fees and transactions costs but not future credit losses. Information as to the calculation of ECL and maximum exposure to Credit Risk by credit rating is included in Note 12 - Financial risk management.

2. Significant accounting policies (continued)

l) Fair Value

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date. The fair value measurement guidance establishes a single authoritative definition of fair value and sets out a framework for measuring fair value. Fair value can be based on: quoted market prices (unadjusted); observable inputs other than quoted prices; or unobservable inputs. The inputs that are used to calculate the fair value, determine which level of the fair value hierarchy the instrument is categorised in.

m) Investment in Subsidiary

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

In the financial statements for the Company, investments in subsidiaries are recorded at cost and are assessed for impairment on an annual basis. Any charges relating to the impairment of investments in subsidiaries are recognised in the Statement of Comprehensive Income in the period in which the impairment occurs. When investments are disposed, the profit or loss resulting from the disposal is recognised in the statement of comprehensive income. Pre-acquisition dividends received from subsidiary undertakings are treated as a reduction in the value of the subsidiary.

Where an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined had no impairment loss been recognised for the investment in prior years. A reversal of an impairment loss is recognised immediately in the income statement.

3. Critical accounting estimates and judgements

Management is required to make certain accounting estimates to ascertain the value of assets and liabilities in order to prepare the financial statements in accordance with IFRS. These estimates are based upon judgement and the information available at the time. Actual results may differ materially from these estimates. Management believes that the estimates and assumptions used in the preparation of the financial statements are reasonable and consistently applied.

Management believes that the critical accounting estimates discussed below involve the most significant judgements and assessments. Use of available information and application of judgement are inherent in the formation of estimates. Actual results in the future could differ from such estimates and the differences may be material to the financial statements.

Income Taxes

Deferred Tax Valuation
Deferred tax assets and liabilities are recognised to reflect the estimated amounts of income tax recoverable/ payable in future periods in respect of temporary differences. A deferred tax asset is recognised to the extent that it is probable that taxable income will be available against which the deductible temporary difference can be utilised. Any benefit received is compensated in full via payment for group relief.

Key Judgements

Periodically, the Company's management evaluates the probability that taxable profits will be available against which the deductible temporary differences and unused carry forward tax losses can be utilised. Within this evaluation process, the Company's management also considers tax-planning strategies. The evaluation process requires significant management judgement, primarily with respect to projecting future taxable profits. For further information please refer to Note 5. Income tax benefit.

Investment in subsidiaries is carried at cost less impairment. The recoverable amount of the investment is estimated based on its net asset value. For further information, please refer note 6. Investment in subsidiary.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

4. Operating expenses

	2022	2021
	£000	£000
Professional services [1]	(42)	(38)
Other expenses [2]	(5)	1
Total operating expenses	**(47)**	**(37)**

(1) Professional services include statutory audit fees amounting to £41k (2021: £38k)
(2) Other expenses include other personnel costs pertaining to QT business

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

5. Income tax benefit

a) Income Tax Benefit/(Expense)

	2022	2021
	£000	£000
Current tax		
Current tax benefit/(expense) for the year	23	347
Adjustments in respect of previous periods	(57)	3
Total current tax (expense) /benefit	**(34)**	**350**
Deferred tax		
Debit to Statement of Income for the year	(610)	(446)
Adjustments in respect of previous periods	76	(1)
Effect of changes in tax rates	(7)	453
Total deferred tax (expense) / benefit	**(541)**	**6**
Income tax (expense) / benefit	**(575)**	**356**

During 2021, the UK government enacted legislation to increase the UK corporation tax rate from 19% to 25% with effect from 1 April 2023.

The Organisation for Economic Co-operation and Development ('OECD') and Group of 20 ('G20') Inclusive Framework on Base Erosion and Profit Shifting announced plans to introduce a global minimum tax rate of 15% and the OECD issued model rules in 2021. During 2022 further OECD guidance has been released and draft legislation to implement the global minimum tax regime has been published by the UK Government. The UK Government has stated that it intends to enact legislation in 2023 to apply for accounting periods beginning on or after 31 December 2023. CSAMH has reviewed the published OECD model rules and further guidance along with the draft UK legislation and has been assessing the expected impact ahead of the implementation of the new regime. CSAMH will review further guidance as well as new legislation expected to be released by governments implementing this new tax regime and continue to assess the potential impact.

The income tax benefit for the year can be reconciled to the loss per the statement of income as follows:

	2022	2021
	£000	£000
(Loss)/ Profit before tax	(92,562)	(16)
(Loss) / Profit before tax multiplied by the UK statutory rate of corporation tax at the rate of 19% (2020: 19%)	17,587	3
Other permanent differences	(13)	5
Non-deductible impairment in subsidiary	(17,574)	—
Adjustments to current tax in respect of previous periods	(57)	3
Adjustments to deferred tax in respect of previous periods	76	(1)
Irrecoverable foreign taxes	—	—
Other movements in deferred tax for current period	(587)	453
Differential in movement in deferred taxes to the statutory tax rate	(7)	(107)
Income tax (expense) / benefit	**(575)**	**356**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

5. Income tax benefit (continued)

b) Deferred Taxes

Deferred taxes are calculated on all temporary differences under the liability method using an effective tax rate of 25% (2021: 25%).

The movement for the year on the deferred tax position was as follows:

	2022	**2021**
	£000	£000
Balance at 1 January	1,441	1,435
(Debit)/credit to income for the year	(610)	(446)
Adjustments in respect of previous periods	76	(1)
Effect of change in tax rate	(7)	453
At the end of the year	**900**	**1,441**

Deferred tax assets are attributable to the following items:

	2022	**2021**
	£000	£000
Deferred tax assets		
Decelerated tax depreciation	889	752
Employee benefits	11	689
At the end of year	**900**	**1,441**

The deferred tax benefit in the statement of income are comprised of the following temporary differences:

	2022	**2021**
	£000	£000
Decelerated tax depreciation	137	(77)
Employee benefits	(678)	71
Total deferred tax expense	**(541)**	**(6)**

Deferred taxes assets are recognised on deductible temporary differences only to the extent that realisation of the related tax benefits is probable. CSAMH estimated temporary differences of £3.6mn (2021:£5.8 mn) as at 31 December 2022. The deferred tax asset recognised on the temporary differences is £0.9mn (2021: £1.4mn).

The benefit of these temporary differences has been recognised in the financial statements in full after evaluating positive and negative evidence supporting the recoverability of deferred tax assets. Recovery of the deferred tax assets will depend upon forecasted taxable profits earned by CSAMH. If strategies and business plans deviate significantly in the future from current management assumptions, the current level of recognised deferred tax assets may need to be adjusted if full recovery of the recognised deferred tax asset balance is no longer probable based on forecasted taxable profits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

6. Investment in subsidiary

The Company has the following investment in a subsidiary as at 31 December 2022.

Direct subsidiary:	Nature of Business
Credit Suisse Asset Management Limited	Management of a range of asset classes and investment vehicles

Impairment of Investment in Subsidiary

Investment in subsidiaries is carried at cost less impairment. The recoverable amount of the investment is estimated based on its net asset value. Based on the assessment during the year, the recoverable amount of the investment was determined to be lower than its carrying amount and impairment of £(92,494)k (2021: nil) was recognised.

	2022	2021
	£000	£000
Carrying value at 1 January	131,919	131,919
Impairment of investment	(92,494)	—
Carrying value as at 31 December	**39,425**	**131,919**

7. Other liabilities

	2022	2021
	£000	£000
Deferred compensation	45	2,755
Accrued operating expenses	46	424
Total other liabilities*	**91**	**3,179**

*Total other liabilities includes £35k (2021: £2,565k) which are non-current in nature. These include non-financial liabilities aggregating £44k (2021: £2,210k).

8. Called-up share capital

	2022 No of Shares	2022 £000	2021 No of Shares	2021 £000
Authorised:				
Ordinary shares of £1 each	150,000,000	150,000	150,000,000	150,000
Called up, allotted, fully paid:				
Ordinary shares of £1 each	144,198,587	144,199	144,198,587	144,199

The Company's wholly-owned subsidiary, CSAML, is authorised and regulated by the FCA and as a consequence the Company heads up a UK regulatory consolidation group. Although the Company is not regulated in its own right, it must have regard to the regulatory capital requirements of both its regulatory consolidation group and that of CSAML.

9. Related party transactions

The Company is controlled by Credit Suisse Group AG ('CSG'), its ultimate parent, which is incorporated in Switzerland. The registered address of CSG is Paradeplatz 8, 8070 Zurich, Switzerland and that of Credit Suisse Asset Management (UK) Holding Limited is One Cabot Square, London E14 4QJ.

The following table sets forth the details of related party balances and transactions:

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

a) Related Party Assets and Liabilities

	2022	2021
	£000	£000
Assets		
Cash and due from banks[1]	25,302	30,921
Investment in subsidiary	39,425	131,919
Amounts owed by CS group companies[2]	115	216
Total assets	**64,842**	**163,056**
Liabilities		
Short-term borrowings[3]	53	717
Amounts owed to CS group companies	9	1,817
Total liabilities	**62**	**2,534**

[1]Cash and due from banks are held with Credit Suisse AG.
[2]The amount owed by CS group companies can be paid on demand, however, in practice they are settled periodically. There were no provision for ECL on Amounts owed by CS group companies of £115k (2021: £216k).
[3]Short-term borrowings are held by Credit Suisse AG.

b) Related Party Revenues and Expenses

	2022	2021
	£000	£000
Net Interest income	–	–
Management advisory, performance and other service fees	–	–
Total operating revenue	**–**	**–**
Operating expenses	–	396
Cost allocation to subsidiary	–	(1,100)
Total operating expenses	**–**	**(704)**

10. Employees

There are no employees in the Company during the year.

11. Financial Instruments

The disclosure of the Company's financial instruments below includes the following sections:
- Analysis of financial instruments by categories; and
- Fair value of financial instruments not carried at fair value.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Financial Instruments (continued)

a) Analysis of Financial Instruments by Categories

Financial instruments are measured on an ongoing basis either at fair value or at amortised cost. The following table sets out the carrying amounts and fair values of the Company's financial assets and liabilities by categories.

As at 31 December 2022	Designated at FVTPL	Amortised cost	Total carrying amount	Fair Value
Financial Assets	£000	£000	£000	£000
Cash and due from banks	—	25,302	25,302	25,302
Amount owed by CS group companies	—	115	115	115
Total financial assets	**—**	**25,417**	**25,417**	**25,417**
Financial Liabilities				
Other liabilities	—	47	47	47
Short-term borrowings	—	53	53	53
Amount owed to CS group companies	—	9	9	9
Total financial liabilities	**—**	**109**	**109**	**109**

As at 31 December 2021	Designated at FVTPL	Amortised cost	Total carrying amount	Fair Value
Financial Assets	£000	£000	£000	£000
Cash and due from banks	—	30,921	30,921	30,921
Amount owed by CS group companies	—	216	216	216
Other receivables	—	3	3	3
Total financial assets	**—**	**31,140**	**31,140**	**31,140**
Financial Liabilities				
Other liabilities	—	424	424	424
Short-term Borrowings	—	717	717	717
Amounts owed to CS group companies	—	1,817	1,817	1,817
Total financial liabilities	**—**	**2,958**	**2,958**	**2,958**

b) Fair Value of Financial Instruments Not Carried at Fair Value

Fair Value Hierarchy

The financial instruments carried at fair value are categorised under the three levels of the fair value hierarchy as follows:

Level 1: Quoted market prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly. These inputs include: (i) quoted prices for similar assets or liabilities in active markets; (ii) quoted prices for identical or similar assets or similar liabilities in markets that are

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

11. Financial Instruments (continued)

not active, that is, markets in which there are few transactions for the asset and liability, the prices are not current or price quotations vary substantially either over time or among market makers, or in which little information is publicly available; (iii) input other than quoted prices that are observable for the asset or liability; or (iv) inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3: Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs). These inputs reflect the Company's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk).
These inputs are developed based on the best information available in the circumstances, which include the Company's own data. The Company's own data used to develop unobservable inputs is adjusted if information indicates that market participants would use different assumptions.

IFRS requires the disclosure of the fair value of financial instruments not carried at fair value in the statements of financial position. IFRS also requires the disclosure of the fair values of these financial instruments within the fair value hierarchy.

The following table presents the carrying value of the financial instruments that are not held at fair value across the three levels of the fair value hierarchy.

As at 31 December 2022	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets	£000	£000	£000	£000
Cash and due from banks	25,302	—	—	25,302
Other receivable	—	—	—	—
Amount owed by CS group companies	—	115	—	115
Total financial assets	**25,302**	**115**	**—**	**25,417**
Financial liabilities				
Other liabilities*	—	47	—	47
Short-term borrowings	—	53	—	53
Amount owed to CS group companies	—	9	—	9
Total financial liabilities	**—**	**109**	**—**	**109**

*Other liabilities includes £4k (2021: £355k) which are non-current in nature.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

As at 31 December 2021	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets	£000	£000	£000	£000
Cash and due from banks	30,921	—	—	30,921
Amounts owed by CS group companies	—	216	—	216
Other receivable	—	3	—	3
Total financial assets	**30,921**	**219**	—	**31,140**
Financial liabilities				
Other liabilities*	—	424	—	424
Short term borrowing	—	717	—	717
Amounts owed to CS group companies	—	1,817	—	1,817
Total financial liabilities	**—**	**2,958**	**—**	**2,958**

*Other liabilities includes £4k (2021: £355k) which are non-current in nature.

12. Financial risk management

a) Overview

The Company is part of the CS group and its risks are managed in accordance with the group's policies and procedures.

b) Credit Risk

Overview

Credit risk is the risk that financial obligations due from counterparties are not met. The Company is a holding company and credit risk arises on its receivables from third-parties and other CS group companies. The Company deposits cash only with other CS group companies.

Maximum Exposure to Credit Risk and Credit Quality Analysis

The following table sets out information about the credit quality of financial assets measured at amortised cost. Unless indicated otherwise, the amounts in the table represent gross carrying amounts.

Explanations of the terms: 12-month ECL, lifetime ECL and credit-impaired are included in Note 3 - Critical accounting estimates and judgements .

Amounts owed by CS group companies and Other receivable

Credit risk exposures by external rating grades

12-month ECL (Stage 1)	**2022**	**2021**
	£000	£000
A+ to A-	4	215
BBB+ to BBB-	110	—
Sum	**114**	**215**
Loss allowance	—	—
Carrying amount	**114**	**215**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Financial risk management (continued)

Cash and Cash Equivalents

The Company held cash and cash equivalents of £25,302k (2021: £30,921k). The cash and cash equivalents are held with CS group companies that are rated at A-.

(c) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to efficiently meet both expected and unexpected current and future cash flows and collateral needs without affecting either daily operations or its financial condition. The following table sets out details of the remaining undiscounted contractual maturities for financial liabilities.

As at 31 December 2022

Summary	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1and 5 years	Due after 5 years	Total
	£000	£000	£000	£000	£000	£000
Amounts owed to CS group companies	—	(2)	11	—	—	9
Other liabilities at amortised cost	—	(1)	57	33	2	91
Short-term borrowings	—	—	53	—	—	53
Total financial liabilities	**—**	**(3)**	**121**	**33**	**2**	**153**

As at December 2021

Summary	On demand	Due within 3 months	Due between 3 and 12 months	Due between 1and 5 years	Due after 5 years	Total
	£000	£000	£000	£000	£000	£000
Amounts owed to CS group companies	—	1,817	—	—	—	1,817
Other liabilities at amortised cost	—	26	43	239	116	424
Short-term borrowings	—	667	50	—	—	717
Total financial liabilities	**—**	**2,510**	**93**	**239**	**116**	**2,958**

(d) Market Risk

Market risk is the risk of loss arising from adverse changes in interest rates, foreign currency exchange rates, and other relevant market parameters, such as market volatilities. The Company does not trade on its own behalf and does not take proprietary market risk positions.

Currency Risk

Currency risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company may enter into transactions denominated in currencies other than its functional currency. Consequently, the Company is exposed to risks that the exchange rate of its currency relative to other foreign currencies may change in a manner that has an adverse effect on the value of that portion of the Company's assets or liabilities denominated in currencies other than GBP.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

12. Financial risk management (continued)

d) Market Risk

As at 31 December 2022, the Company had CHF 17k net assets (2021 CHF 4k net assets), EUR (56)k net liabilities (2021: EUR (55)k net liabilities), USD 60k net assets (2021: USD (533)k net liabilities) foreign currency exposure.

The sensitivity analysis, which is for illustrative purposes only, is prepared based on financial instruments that are recognised at the reporting dates. The sensitivity assumes changes in certain market conditions. These assumptions may differ materially from the actual results due to the inherent uncertainties in global financial markets. In practice, market risks rarely change in isolation and are likely to be interdependent. The methods and assumptions used are the same for both reporting years.

A change of 25% in the foreign exchange rates at the reporting date would have increased/(decreased), equity and profit or loss by the following:

2022

	CHF +25% £000	CHF -25% £000	EUR +25% £000	EUR -25% £000	USD +25% £000	USD -25% £000
Change in equity and profit or loss with foreign currency fluctuation	4	(4)	(12)	12	12	(12)
Total	**4**	**(4)**	**(12)**	**12**	**12**	**(12)**

2021

	CHF +25% £000	CHF -25% £000	EUR +25% £000	EUR -25% £000	USD +25% £000	USD -25% £000
Change in equity and profit or loss with foreign currency fluctuation	1	(1)	(12)	12	(99)	99
Total	**1**	**(1)**	**(12)**	**12**	**(99)**	**99**

Interest Rate Risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is subject to interest rate risk based on the variable interest earned/charged on the bank balances. The maximum exposure of this balance is £25,302k (2021: £30,921k). The Company manages the interest rate risk monthly, by financing overdrafts with short-term borrowings through Treasury team.

A change of 50 basis points in interest rates at the reporting date would have increased/(decreased), equity and income or loss by £102k/(£102k) (2021: £125k/(£125k)).

This calculation assumed that the change occurred at the reporting date and had been applied to risk exposures existing at that date and is stated net of income tax assuming the current corporation tax rate of 19% (2021: 19%).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

13. Subsequent events

On 19 March 2023, it was announced that Credit Suisse Group AG and UBS Group AG have entered into a an agreement and plan of merger ('the merger'), to be completed at a date yet to be determined, CSAMH is a consolidated subsidiary of Credit Suisse Group AG, and as such the future operations and financial performance CSAMH may be impacted as a result of the merger. There can be no assurance that CSAMH will not itself become liquidated or otherwise merged with another UBS Group AG subsidiary following completion of the merger.

Based on the merger developments discussed above, the following accounting impacts on the financial statements have occurred or are expected to occur for periods ending after 19 March 2023.

Deferred Tax Asset
As at 31 December 2022, CSAMH has a net deferred tax asset of £0.9m. Based on the merger agreement, CSAMH believes an impairment loss on this balance sheet position is probably but is not yet estimable at this time.

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