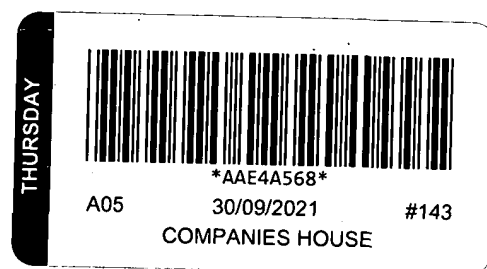


Company Number: 3769030

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

ANNUAL REPORT

31 DECEMBER 2020



STRATEGIC REPORT

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

1. Introduction

Goldman Sachs Group Holdings (U.K.) Limited (the company) serves as a holding company that predominantly holds investment companies.

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

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

2. Financial overview

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

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

The results for the year are shown in the profit and loss account on page 8. Profit before taxation for the year ended 31 December 2020 was US\$1,347.1 million (2019: US\$220.4 million). The increase primarily reflects dividends received from subsidiary undertakings.

The company had total assets of US\$795.8 million as at 31 December 2020 (31 December 2019: US\$979.8 million) and total liabilities of US\$150.2 million as at 31 December 2020 (31 December 2019: US\$150.4 million).

3. Exchange rate

The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US\$1.3653 (31 December 2019: £ / US\$1.3265). The average rate for the year was £ / US\$1.2950 (2019: £ / US\$1.2792).

4. Future outlook

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

The company had net current liabilities of US\$47.3 million as at 31 December 2020 (net current assets as at 31 December 2019: US\$136.4 million). Goldman Sachs Group UK Limited, the parent undertaking, has committed to ensuring the provision of sufficient funds to enable the company to meet its liabilities as they fall due. As a result, the directors have prepared these financial statements on a going concern basis.

STRATEGIC REPORT (continued)

5. Principal risks and uncertainties

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. As a holding company, the company is also exposed to risk of decline in value of its non-financial assets, primarily fixed asset investments in subsidiary undertakings. 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 19 of the financial statements.

6. Principal decision making and stakeholder engagement

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

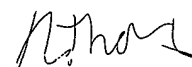
- a) the likely consequences of any decision in the long term;
- b) the impact of the company's operations on the community and the environment; and
- c) the desirability of the company to maintain a reputation for high standards of business conduct.

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

7. Date of authorisation of issue

The strategic report was authorised for issue by the Board of Directors on 27 September 2021.

ON BEHALF OF THE BOARD



R. M. Thomas
Director

DIRECTORS' REPORT

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

1. Introduction

In accordance with section 414A of the Companies Act 2006, the directors have prepared a strategic report, which contains a review of the company's business and a description of the principal risks and uncertainties facing the company. The directors have chosen to make reference to the future outlook of the company in the strategic report in accordance with section 414C(11) of the Companies Act 2006. The company's risk management objectives and policies, including exposures to market risk, credit risk and liquidity risk are described in note 19 to the financial statements. 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 final dividend in respect of the year (2019: US\$ nil). The director's declared and paid an interim dividend of US\$1,530.0 million (2019: US\$ nil).

3. Disclosure of information to auditors

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

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

4. Independent auditors

Prior to 1 October 2007, the company passed an elective resolution under section 386 of the Companies Act 1985 to dispense with the annual reappointment of auditors. PricewaterhouseCoopers LLP will, accordingly, continue in office as auditors of the company pursuant to section 487(2) of the Companies Act 2006 and paragraph 44 of schedule 3 to the Companies Act 2006 (Commencement No. 3 Consequential Amendment, Transitional Provisions and Savings) Order 2007.

5. Directors

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

Name

P. N. O. Curle
G. P. Shaw
R. M. Thomas

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

DIRECTORS' REPORT (continued)

6. Statement of directors' responsibilities

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

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

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

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

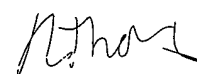
The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's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

No energy usage has been attributed to the company during the period and, as such, the company is not required to provide disclosure prescribed by part 7 of Schedule 7 (disclosure concerning greenhouse gas emissions) of S.I. 2008/410.

7. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 27 September 2021.

ON BEHALF OF THE BOARD



R. M. Thomas
Director

Independent auditors' report to the members of GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, Goldman Sachs Group Holdings (U.K.) Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2020, the Profit and Loss Account, the Statement of Changes in Equity for the year ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic Report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent auditors' report to the members of GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting of inappropriate journals entries. Audit procedures performed by the engagement team included:

- Discussions with management and those charged with governance in relation to known or suspected instances of non-compliance with laws and regulations and fraud;
- Testing journal entries by using our data auditing tools to identify manual journals with a higher inherent risk of fraud, and obtaining appropriate audit evidence to support these journals;
- Performed risk assessment analytical procedures to identify any unusual or unexpected relationships, transactions outside the normal course of business or that may be indicative of a material misstatement due to fraud; and
- Incorporating unpredictability into the nature, timing and/or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Independent auditors' report to the members of
GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED**

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



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

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

PROFIT AND LOSS ACCOUNT**for the year ended 31 December 2020**

		Year ended 31 December 2020	Year ended 31 December 2019
	Note	US\$'000	US\$'000
Income from shares in group undertakings	10	1,350,000	228,582
Write down of shares in group undertakings	10	-	(2,275)
Interest receivable and similar income	4	1,661	5,808
Interest payable and similar expenses	5	(1,635)	(10,180)
Administrative expenses	6	(2,897)	(1,568)
PROFIT BEFORE TAXATION		1,347,129	220,367
Tax on profit	9	(1,009)	7,649
PROFIT FOR THE FINANCIAL YEAR		1,346,120	228,016

The profit before taxation of the company is 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 other comprehensive income has been presented.

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

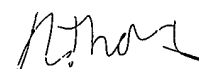
GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

BALANCE SHEET

as at 31 December 2020

		31 December 2020	31 December 2019
	Note	US\$'000	US\$'000
FIXED ASSETS			
Investments	10	697,206	697,206
CURRENT ASSETS			
Debtors: Amounts falling due within one year	11	22,696	29,695
Debtors: Amounts falling due after more than one year	12	69,631	221,689
Cash at bank and in hand		6,258	31,259
		98,585	282,643
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	14	(145,892)	(146,213)
NET CURRENT (LIABILITIES)/ASSETS		(47,307)	136,430
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	15	(4,295)	(4,152)
NET ASSETS		645,604	829,484
CAPITAL AND RESERVES			
Called up share capital	16	3,174	3,174
Share premium account		416,133	416,133
Other reserves	17	183,284	183,284
Profit and loss account		43,013	226,893
TOTAL SHAREHOLDER'S FUNDS		645,604	829,484

The financial statements were approved by the Board of Directors on 27 September 2021 and signed on its behalf by:



R. M. Thomas
Director

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

Company number: 3769030

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

STATEMENT OF CHANGES IN EQUITY**for the year ended 31 December 2020**

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total shareholder's funds
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Balance at 1 January 2019	3,174	416,133	183,284	(1,123)	601,468
Profit for the financial year	-	-	-	228,016	228,016
Balance at 31 December 2019	3,174	416,133	183,284	226,893	829,484
Profit for the financial year	-	-	-	1,346,120	1,346,120
Dividend distributions	-	-	-	(1,530,000)	(1,530,000)
Balance at 31 December 2020	3,174	416,133	183,284	43,013	645,604

The directors declared and paid an interim dividend of US\$1,530 million (2019: US\$ nil). The directors do not recommend the payment of a final dividend in respect of the year (2019: US\$ nil).

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

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

1. GENERAL INFORMATION

The company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is Plumtree Court, 25 Shoe Lane, London, EC4A 4AU, United Kingdom. The company's immediate parent undertaking is Goldman Sachs Group UK Limited, a company incorporated and domiciled in England and Wales.

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

2. ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

a. Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

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

- (i) IFRS 2 'Share-based Payment' paragraph 45(b) and 46 to 52. These disclosures are provided in the consolidated financial statements of Group Inc.;
- (ii) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a)(iv);
- (iii) IAS 1 'Presentation of Financial Statements' paragraphs 10(d), 10(f), 16, 38A, 38B-D, and 40A-D, 111;
- (iv) IAS 7 'Statement of Cash Flows';
- (v) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;
- (vi) IFRS 15 'Revenue from Contracts with Consumers' second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129;
- (vii) IAS 24 'Related Party Disclosures' paragraph 17; and
- (viii) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within GS Group.

The company is a subsidiary 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.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

2. ACCOUNTING POLICIES (continued)

b. Dividends

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

c. Foreign currencies

The company's financial statements are presented in U.S. dollars, which is also the company's functional currency.

Transactions denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities denominated in foreign currencies are translated into U.S. dollars at rates of exchange prevailing at the balance sheet date. Foreign exchange gains and losses are recognised in the profit and loss account.

d. Fixed asset investments

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

e. Cash at bank and in hand

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

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

The company classifies financial assets into financial assets measured at amortised cost on the basis of both the company's business model for managing financial assets and contractual cash flow characteristics of the financial assets. The company's business model is to hold the assets to collect contractual cash flows and the cash flows represent solely payments of principal and interest. If these conditions were not met, the financial assets would be mandatorily measured at fair value through profit or loss.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

2. ACCOUNTING POLICIES (continued)

f. Financial assets and liabilities (continued)

(ii) Classification and measurement (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 as financial liabilities measured at amortised cost. 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 are initially recognised at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest method. Finance costs, including discounts allowed on issue, are recorded in the profit and loss account.

g. Current and deferred tax

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

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

Deferred tax is recognised in respect of all temporary differences that have originated, but not reversed at the balance sheet date, where transactions or events have occurred 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 future reversal of the underlying temporary differences can be deducted.
- (ii) Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

h. Share capital

Ordinary share capital is classified as equity.

i. Going concern

The company had net current liabilities of US\$47.3 million as at 31 December 2020 (net current assets as at 31 December 2019: US\$136.4 million). Goldman Sachs Group UK Limited, the immediate parent company, has committed to ensuring the provision of sufficient funds to enable the company to meet its liabilities as they fall due. As a result, the directors have prepared these financial statements on a going concern basis.

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.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020**4. INTEREST RECEIVABLE AND SIMILAR INCOME**

	Year ended 31 December 2020	Year ended 31 December 2019
	US\$'000	US\$'000
Interest on loans to group undertakings (see note 12)	1,661	5,808

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 31 December 2020	Year ended 31 December 2019
	US\$'000	US\$'000
Interest on loans from group undertakings (see notes 14 and 15)	1,635	10,180

6. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2020	Year ended 31 December 2019
	US\$'000	US\$'000
Foreign exchange (gains)/losses	133	(97)
Auditors' remuneration - audit services	54	38
Other expenses	2,710	1,627
	2,897	1,568

Other expenses in the current and prior year comprise of management recharges to group undertakings.

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 and no cost is borne by the company.

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 an incidental amount of their remuneration relates to the qualifying services provided to the company.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

9. TAX ON PROFIT

	Year ended 31 December 2020 US\$'000	Year ended 31 December 2019 US\$'000
Current tax:		
U.K. corporation tax	(5,524)	58
Adjustments in respect of prior periods	5,346	(5,557)
Total current tax	(178)	(5,499)
Deferred tax:		
Origination and reversal of temporary differences	1,439	-
Adjustments in respect of prior periods	-	(2,150)
Effect of change in U.K. corporate tax rates	(252)	-
Total deferred tax	1,187	(2,150)
Total tax on profit	1,009	(7,649)

The table below presents a reconciliation between tax on profit before taxation and the amount calculated by applying the standard rate of U.K. corporation tax applicable to the company for the year of 19.0% (31 December 2019: 19.0%) to the profit before taxation.

	Year ended 31 December 2020 US\$'000	Year ended 31 December 2019 US\$'000
Profit before taxation	1,347,129	220,367
Profit multiplied by the standard rate in the U.K. of 19.0% (2019: 19.0%)	255,955	41,870
Permanent differences	(260,043)	(42,998)
Tax losses surrendered to group undertakings for nil consideration	-	1,186
Adjustments in respect of prior periods	5,346	(5,557)
Changes in recognition and measurement of deferred tax assets	(252)	(2,150)
Exchange differences	3	-
Total tax on profit	1,009	(7,649)

The Finance Act 2020 received Royal Assent on 22 July 2020 and maintained the U.K. corporation tax main rate at 19%, when it had been due to decrease from 19% to 17% from 1 April 2020. As a result, the U.K. corporate rate applicable to the company for the period ended December 2020 was 19%, consistent with the period ended December 2019. This change resulted in the company recognising a gain of US\$0.3 million in the profit and loss account on remeasurement of its deferred tax liability.

The U.K. government announced in its budget on 3 March 2021 that the U.K. corporation tax main rate, will increase from 19% to 25% from 1 April 2023. The company has remeasured its deferred tax liability on substantive enactment of this change.

The company has carried forward capital losses of US\$146.1 million (31 December 2019: US\$115.7 million) on which no deferred tax asset has been recognised as there is uncertainty whether the company will generate suitable taxable capital profits in the future against which the deferred tax asset can be recovered.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

10. FIXED ASSET INVESTMENTS

Fixed asset investments comprise investments in subsidiary undertakings and consist of investments in unlisted ordinary shares, stated at cost less provision for any impairment:

	Cost US\$'000	Provisions for impairment US\$'000	Net book value US\$'000
At 1 January 2019	1,445,073	(279,325)	1,165,748
Distribution	(466,267)	-	(466,267)
Impairments	-	(2,275)	(2,275)
At 31 December 2019	978,806	(281,600)	697,206
At 31 December 2020	978,806	(281,600)	697,206

During the current year, the company received distributions of US\$1,350.0 million from subsidiary undertaking, ELQ Investors VIII LTD. The total of this dividend of US\$1,350.0 million has been recognised in the profit and loss account.

During the prior year, the following movements in shares in subsidiary undertakings took place:

- GS Liquid Trading Platform II Limited made a distribution of US\$678.0 million. It was determined that this dividend represented a distribution preceding the appointment of the liquidator of the subsidiary and the company therefore reduced the value of the investment by US\$450.1 million. The remainder of the distribution of US\$227.9 million has been recognised in the profit and loss account.
- Goldman Sachs Ireland Finance made a distribution of US\$16.8 million. It was determined that this dividend represented a distribution preceding the appointment of the liquidator of the subsidiary and the company therefore reduced the value of the investment by US\$16.2 million. The remainder of the distribution of US\$0.6 million has been recognised in the profit and loss account.
- The company recognised an impairment in Broad Street Principal Investments International, LTD of US\$2.3 million.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

10. FIXED ASSET INVESTMENTS (continued)

The subsidiaries over which the company exercises control, and the effective percentage ownership interest in the ordinary shares held directly by the company at the year end, are:

Name of company	Nature of business	Proportion of nominal value held	Class of shares held
ELQ Investors VIII Limited ¹	Investment company	100%	Ordinary shares
Broad Street Principal Investments UK LTD ¹	Investment company	100%	Ordinary shares
Broad Street Principal Investments International, LTD ²	Investment company	100%	Ordinary shares
Goldman Sachs Group U.K. Finance Limited ¹	Investment company	100%	Ordinary shares
Rothsay Life (Cayman) Limited ²	Investment company	100%	Ordinary shares
Goldman Sachs TK Danismanlik Hizmetleri Anonim Sirketi ³	Service company	100%	Ordinary shares
Goldman Sachs Ireland Finance Limited ⁴	In liquidation	100%	Ordinary shares
PIL Holding 2 Limited ⁵	Investment company	99.59%	Ordinary shares

The subsidiaries over which the company exercises control via ordinary shares held by or on behalf of other subsidiaries and not directly held by the company, are listed below:

Name of company	Nature of business	Proportion of nominal value held	Class of shares held
GS Shire UK Limited ¹	Holding company	100%	Ordinary shares
Obsidian Irish Collective Asset-Management Vehicle ⁶	Investment company	100%	Ordinary shares
OBSF (I) Limited ⁶	Investment company	100%	Ordinary shares
Prosta Acquisitions Ltd ¹	Investment company	99.53%	Ordinary shares
ELQ VIII Acquisition S.A.R.L. ⁷	Investment company	100%	Ordinary shares
Sky Mundi S.A.R.L. ⁷	Investment company	100%	Ordinary shares
Trinity II Investments SP. Z.O.O. ⁸	Investment company	99.53%	Ordinary shares
Parrot Management B.V. ⁹	In liquidation	100%	Ordinary shares
Parrot B.V. ¹⁰	In liquidation	100%	Ordinary shares
Prosta Investments SP.Z.O.O. ¹¹	Investment company	99.53%	Ordinary shares

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

10. FIXED ASSET INVESTMENTS (continued)

Registered office address at:

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

² P.O. Box 309, Ugland House, South Church Street, George Town, KY1-1104, Cayman Islands

³ Buyukdere Caddesi Bina No:209, Tekfen Tower Kat: 8, No:21 ve 22, 4. Levent, Sisli, Istanbul, 34394, Turkey

⁴ 70 Sir John Rogerson's Quay, Dublin, 2, Ireland

⁵ 26 New Street, St Helier, Jersey, JE1 1ST

⁶ Earlsfort Centre, Earlsfort Terrace, Dublin, 2, Ireland

⁷ 2, Rue due Fossé, L-1536, Luxembourg

⁸ Zlota 59, Warsaw, 00-120, Poland

⁹ Strawinskylaan 3127, Atrium Building 8th Floor, Amsterdam, 1077 ZX, Netherlands

¹⁰ Strawinskylaan 1161, Amsterdam, 1077 XX, Netherlands

¹¹ Saltire Court, 20 Castle Terrace, Edinburgh, EH1 2EG, United Kingdom

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Amounts due from group undertakings	<u>22,696</u>	<u>29,695</u>

Amounts due from group undertakings in the current and prior year includes US\$12.6 million (31 December 2019: US\$19.8 million) in cash balances held on account by a fellow group undertaking, and group relief receivable of US\$7.6 million (31 December 2019: US\$9.4 million).

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

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Long-term loans receivable from group undertakings	68,668	219,539
Deferred tax assets (see note 13)	963	2,150
	<u>69,631</u>	<u>221,689</u>

Long-term loans receivable from group undertakings in the current and prior year consists of a loan of US\$68.7 million (31 December 2019: US\$219.5 million) advanced by the company to Goldman Sachs International, a fellow group undertaking. The loan is unsecured, carries interest at a variable rate and is repayable 367 days after the date of such demand by the company.

13. DEFERRED TAX ASSET

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Deferred tax balance comprises:		
Unused tax loss (see note 12)	963	2,150
	<u>963</u>	<u>2,150</u>

The movements in the deferred tax balance were as follows:

At 31 December 2019	2,150
Charged to the profit and loss account (see note 9)	(1,187)
At 31 December 2020	<u>963</u>

Unused tax losses
US\$'000

The directors consider that future profits will be available against which the deferred tax asset can be recovered.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Short-term loans payable to group undertakings	132,830	132,830
Amounts due to group undertakings	11,166	11,438
Other creditors and accruals	1,896	1,945
	145,892	146,213

Short-term loans payable to group undertakings in the current and prior year consists of a loan of US\$132.8 million (31 December 2019: US\$132.8 million) advanced to the company by Goldman Sachs Group U.K. Finance Limited. The loans are unsecured and carry interest at a variable rate. The loan is repayable on demand.

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

	31 December 2020	31 December 2019
	US\$'000	US\$'000
Long-term loans payable to group undertakings	4,295	4,152

Long-term loans payable to group undertakings in the current and prior year consists of a loan of US\$4.3 million (31 December 2019: US\$4.2 million) advanced to the company by Goldman Sachs International. The loan is unsecured, carries interest at a variable rate and is repayable 367 days after the date of such demand by the lender.

16. CALLED UP SHARE CAPITAL

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

	31 December 2020	31 December 2019
	No. US\$'000	No. US\$'000
<u>Allotted, called up and fully paid</u>		
Ordinary shares of US\$0.01 each	317,379,000 3,174	317,379,000 3,174
	3,174	3,174

17. OTHER RESERVES

In 2016, as part of a group reorganisation, the company acquired the entire issued share capital of ELQ Investors VIII Limited for a total consideration of US\$207.6 million from Goldman Sachs Group UK Limited, the company's immediate parent undertaking. As consideration, the company issued 40,179,790 ordinary shares of US\$0.01 to Goldman Sachs Group UK Limited. Following application of section 611 of the Companies Act 2006, share premium of US\$156.6 million was recorded and the remaining difference of US\$50.6 million was credited to other reserves.

In 2015, as part of a group reorganisation, the company acquired the entire issued share capital of Broad Street Principal Investments International, LTD from Goldman Sachs Group UK Limited, the company's immediate parent undertaking. As consideration, the company issued 31,122,744 ordinary shares of US\$0.01 to Goldman Sachs Group UK Limited. Following application of section 611 of the Companies Act 2006, nil share premium was recorded and the remaining difference of US\$132.7 million was credited to other reserves.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

18. FINANCIAL COMMITMENTS AND CONTINGENCIES

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

19. 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 exposed to any externally imposed capital requirements.

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

a. Market risk

Market risk is the risk of loss in value of investments, as well as certain other financial assets and financial liabilities due to changes in market conditions. Risks are monitored and controlled through strong firmwide oversight and independent control and support functions across the company's business. 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 profit for the year would have been US\$0.3 million lower/higher (loss/profit for the year ended 2019: US\$0.5 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, as appropriate to the circumstances of the company.

b. Credit risk

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

Credit exposures

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

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

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

19. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT (continued)

c. Liquidity risk

Liquidity risk is the risk that the company does not have sufficient cash or collateral to make payments to its counterparties or customers as they fall due. The company manages its liquidity risk in accordance with GS Group's comprehensive and conservative set of liquidity and funding policies to address both company specific and broader industry or market liquidity events. For analysis of financial liabilities by maturity, refer to note 20(c).

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

a. Financial assets and liabilities by category

All financial assets are categorised as financial assets at amortised cost in the current and prior years. All financial liabilities are categorised as financial liabilities measured at amortised cost in the current and prior years.

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

The company has US\$97.6 million (31 December 2019: US\$280.5 million) of current financial assets and US\$145.9 million (31 December 2019: US\$146.1 million) of current financial liabilities that are not measured at fair value. Where these instruments are short-term in nature, their carrying amounts in the balance sheet are a reasonable approximation of fair value. The interest rate associated with long-term loans receivable from group undertakings is variable in nature and approximates prevailing market interest rates for instruments with similar terms and characteristics. As such, the carrying amount in the balance sheet is a reasonable approximation of fair value.

The company has US\$4.3 million (31 December 2019: US\$4.2 million) of financial liabilities due after more than one year that are not measured at fair value and relate to long-term intercompany borrowings. The interest rate associated with such borrowings is variable in nature and approximates prevailing market interest rates for instruments with similar terms and characteristics. As such, the carrying amount in the balance sheet is a reasonable approximation of fair value.

GOLDMAN SACHS GROUP HOLDINGS (U.K.) LIMITED

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2020

20. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

c. 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 2020						
	Less than 1 month US\$'000	1-3 months US\$'000	3 months to 1 year US\$'000	1-5 years US\$'000	5+ years US\$'000	Total US\$'000
Financial liabilities						
Creditors: amounts falling due within one year	145,885	7	21	-	-	145,913
Creditors: amounts falling due after more than one year	-	-	-	4,295	-	4,295
Total - on balance sheet	145,885	7	21	4,295	-	150,208

31 December 2019						
	Less than 1 month US\$'000	1-3 months US\$'000	3 months to 1 year US\$'000	1-5 years US\$'000	5+ years US\$'000	Total US\$'000
Financial liabilities						
Creditors: amounts falling due within one year	146,103	11	33	-	-	146,147
Creditors: amounts falling due after more than one year	-	-	-	4,152	-	4,152
Total - on balance sheet	146,103	11	33	4,152	-	150,299