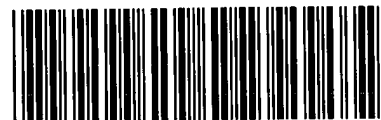


Registered number: 07641639

GFI MARKETS INVESTMENTS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

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GFI MARKETS INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	Mr. H. Alfon Mr. B. Murphy (appointed 2 December 2020) Mr. R. B. Stevens (appointed 2 December 2020)
Company secretary	Mr. R. M. Snelling
Registered number	07641639
Registered office	1 Snowden Street London EC2A 2DQ
Independent auditor	Ernst & Young LLP 25 Churchill Place Canary Wharf London E14 5EY

GFI MARKETS INVESTMENTS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

The directors present their annual report and the audited financial statements of GFI Markets Investments Limited (the 'Company') for the year ended 31 December 2019.

The Company is part of the global BGC Partners, Inc. group ('BGC Group'), which comprises of BGC Partners, Inc. and its subsidiaries. BGC Partners, Inc. is part of the Cantor Fitzgerald, LP group ('Cantor Group'), which comprises of Cantor Fitzgerald, LP, and its subsidiaries.

Results and dividends

The profit for the year after taxation amounted to US\$6,471k (2018: US\$8,452k), which included a US\$6,500k (2018: US\$nil) amount of dividend income received from the Company's subsidiary, Kyte Capital Management Ltd.

On 6 November 2019, the Company paid a dividend of US\$14,500k (2018 US\$nil) to its parent GFInet Inc.,

Directors

The directors who served during the year, or were appointed after the year end, are as follows:

Mr. H. Alfon
Mr. D. A. Denysen (resigned 2 December 2020)
Mr. B. Murphy (appointed 2 December 2020)
Mr. R. B. Stevens (appointed 2 December 2020)

Going concern

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly the Company continues to adopt the going concern basis in preparing the financial statements.

Qualifying third party indemnity provisions

The Company has granted an indemnity to its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force at the date of approving the Directors' Report.

Disclosure of information to auditor

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

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

GFI MARKETS INVESTMENTS LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2019**

Auditor

Under section 487(2) of the Companies Act 2006, Ernst & Young LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

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



Mr. R.B. Stevens
Director

Date: 18/12/2020

GFI MARKETS INVESTMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Introduction

The Company acts as a holding Company for its subsidiary Kyte Capital Management Limited ('KCM').

Business review

The profit for the year after taxation amounted to US\$6,471k (2018:US\$8,452k).

The value of the underlying investment in KCM amounted to US\$10,514k (2018:US\$10,514k).

On 22 July 2019 the Company received a dividend of US\$6,500k (2018: US\$nil) from its subsidiary Kyte Capital Management Limited.

On 6 November 2019 the Company paid a dividend of US\$14,500k (2018: US\$nil) to its parent GFInet Inc..

Future developments

The Company plans to continue as a holding company for its subsidiary for the foreseeable future.

Risk management

The Company did not engage in any trading activity during the year and creditors consist of payables to related parties, therefore it is not exposed to cash flow, liquidity or operational risks.

The Company faces valuation, credit and foreign currency risks in the course of its normal business. The directors place reliance on the BGC Group's Risk Management function to manage and monitor risks as well as other related matters, and receives regular reports on specific risks affecting the Company and the wider Group.

Valuation risk

The primary risk the Company faces is the valuation risk relating to its investment. The directors assess for indicators of impairment to determine whether an impairment review is required.

Credit risk

The majority of the Company's receivables are due from related parties, thus minimising the potential exposure to credit risk for the company.

Foreign currency risk

The Company is exposed to risk associated with changes in foreign exchange rates. Changes in the translation of the Company's monetary net assets are recorded as part of its operating results and fluctuate with changes in exchange rates.

European Union Referendum

The UK formally left European Union on 31 January 2020 but the final impact on European Union Referendum outcome is yet to be determined formally, as political negotiations between the UK and the EU continue. The BGC Group has established several work streams to analyse and plan for the potential effects of a number of scenarios and will continue to monitor legislative developments in order to finalise the BGC Group's operating model going forward. To date, there have been no matters that warrant adjustments to either the financial results as at 31 December 2019 and for the year then ended, or management's expectation of the going concern status of the Company.

GFI MARKETS INVESTMENTS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2019

Post balance sheet event

Covid-19

Management is considering the potential economic impact to the Company of the COVID-19 pandemic. The company is an investment holding vehicle for its subsidiaries. As part of its going concern review, the Company has stress tested the potential impact of a significant downturn in the activity levels on profitability of its significant trading subsidiaries. We do not expect there to be a material impact on the financial position of its significant trading subsidiaries. Thus we do not expect there to be a material impact on valuation of our investment in these subsidiaries which leads to any impairment. We expect the Company to have adequate resources to continue for the foreseeable future. While there remains significant uncertainty regarding the developments of the pandemic and the future economic recovery, the Board has concluded that COVID-19 is a non-adjusting post balance sheet event.

At 31 December 2019, the Company's subsidiary, Kyte Capital Management Ltd ('KCM'), held an investment in BIP Trading LLP ('BIP') with a carrying value of US\$913k and an amount of other receivables with a carrying value of US\$1,565k. For the year ended 31 December 2019, BIP made a profit and held net assets with a carrying value in excess of KCM's investment. Due to adverse market conditions during Q1 2020, BIP incurred significant losses. As a result of BIP's losses, the directors of KCM decided to impair both KCM's investment in, and its receivables due from, BIP to US\$nil. On 20 March 2020, KCM disposed of its investment in BIP to an external party for EUR1.00 cash consideration. The directors of the Company consider this to be a non-adjusting post balance sheet event and as such no adjustments have been made in the financial statements for the year ended 31 December 2019.

There are no other significant events occurring after the balance sheet date, up to the date of approval of the financial statements that would meet the criteria to be disclosed or adjusted in the financial statements as at 31 December 2019 and for the year then ended.

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

Mr. R.B. Stevens
Director



Date: 18/12/2020

GFI MARKETS INVESTMENTS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2019

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

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

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

The directors are responsible for keeping adequate accounting records 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Ernst & Young LLP
25 Churchill Place
London
E14 5EY

Tel: +44 20 7951 2000
Fax: +44 20 7951 1345
ey.com

INDEPENDENT AUDITOR'S REPORT TO THE MEMBER OF GFI MARKETS INVESTMENTS LIMITED

Opinion

We have audited the financial statements of GFI Markets Investments Limited for the year ended 31 December 2019 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

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

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



Other information

The other information comprises the information included in the annual report as set out on pages from 1 to 5, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

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

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 such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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



Responsibilities of directors

As explained more fully in the director's responsibilities statement as set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director 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 director is 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's Report.

Use of our report

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

Andrew Stevenson (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

24 December 2020

GFI MARKETS INVESTMENTS LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Note	2019 US\$000	2018 US\$000
Administrative expenses		(29)	(68)
Operating loss on ordinary activities		(29)	(68)
Income from fixed assets investments	4	6,500	-
Gain on disposal of investment		-	8,520
Profit on ordinary activities before taxation	3	6,471	8,452
Tax on profit on ordinary activities	7	-	-
Profit and total comprehensive income for the year		6,471	8,452

The notes on pages 12 to 18 form part of these financial statements.

All amounts relate to continuing operations.

GFI MARKETS INVESTMENTS LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019**

	Note	2019 US\$000	2018 US\$000
Fixed assets			
Fixed asset investments	8	<u>10,514</u>	<u>10,514</u>
		10,514	10,514
Current assets			
Debtors: amounts falling due within one year	9	<u>1,207</u>	<u>13,508</u>
		1,207	13,508
Current liabilities			
Creditors: amounts falling due within one year	10	<u>(993)</u>	<u>(5,265)</u>
		(993)	(5,265)
Current assets less current liabilities		214	8,243
Net assets		<u>10,728</u>	<u>18,757</u>
Capital and reserves			
Called up share capital	11	1	1
Retained earnings		<u>10,727</u>	<u>18,756</u>
Total shareholder's funds		<u>10,728</u>	<u>18,757</u>

The notes on pages 12 to 18 form part of these financial statements.

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



Mr. R.B. Stevens
Director

Date: 18/12/2020

GFI MARKETS INVESTMENTS LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital US\$000	Share premium account US\$000	Retained earnings US\$000	Total shareholders' funds US\$000
At 1 January 2019	1	-	18,756	18,757
Profit for the year	-	-	6,471	6,471
Dividend declared during the year	-	-	(14,500)	(14,500)
At 31 December 2019	1	-	10,727	10,728

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018**

	Called up share capital US\$000	Share premium account US\$000	Retained earnings US\$000	Total shareholders' funds US\$000
At 1 January 2018	1	21,455	(11,151)	10,305
Reduction of share premium	-	(21,455)	21,455	-
Profit for the year	-	-	8,452	8,452
At 31 December 2018	1	-	18,756	18,757

The notes on pages 12 to 18 form part of these financial statements.

GFI MARKETS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

1. Statement of compliance

GFI Markets Investments Limited (the 'Company') is a limited company, registered in England and Wales. Its registered office is 1 Snowden Street, London, EC2A 2DQ. The principal accounting policies for the Company are summarised below. They have all been applied consistently throughout the year and preceding year.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The Company has applied FRS102 as issued in March 2018, which reflects the amendments made as part of the Triennial Review 2017. The Triennial Review amendments had no material impact on the financial statements of the Company.

To assess the possible impact of the COVID-19 pandemic on the entity's financial, liquidity and capital positions, a going concern assessment on the Company has been performed which included stress testing of the 12 month forecast under stressed scenarios and observing the impact on profitability of its significant trading subsidiaries. This included stressing revenue and expenses for a significant downturn in activity levels. Based on the assessment performed, the Directors have a reasonable expectation that the Company has adequate resources to continue in operation for the foreseeable future. Whilst there remains significant uncertainty regarding the future development of the pandemic and the timing and size of the future economic recovery, this does not impact the Company's ability to continue as a going concern and hence the financial statements have been prepared on this basis.

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

2.2 Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires the Directors of the Company to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the date of the Statement of Financial Position and amounts reported for revenues and expenses during the year. However, the nature of estimation means the actual outcome could differ from those estimates. The Company has identified the following judgements.

Impairment of fixed asset investment

Where there are indicators of impairment of individual assets, the Company performs impairment tests based on fair value less costs to sell or a value in use calculation. The fair value less costs to sell calculation is based on available data from binding sales transactions at arm's length on similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on the present value of future cash flows expected to be derived from the asset.

2.3 Functional and presentation currency

The financial statements are prepared in US Dollars (USD), which is the currency of the primary economic environment in which the Company operates.

GFI MARKETS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

2.4 Foreign currencies

Transactions in currencies other than US Dollars are recorded at the average exchange rate ruling during the month in which the transactions occurred.

Monetary assets and liabilities denominated in foreign currencies are translated into US Dollars at the exchange rates ruling at the balance sheet date. Translation differences are recognised in the Statement of Comprehensive Income.

The conversion rate used to translate GBP into USD at 31 December 2019 was 1.325 (2018: 1.274).

2.5 Fixed Asset Investments

Investments held as fixed assets are shown at cost less any provision for impairment. The directors assess investments for indicators of impairment on an annual basis or whenever events or circumstances indicate that the carrying amount may not be recoverable. If such indicators are apparent an impairment review is performed.

2.6 Exemption applied

As a qualifying entity under FRS 102, the Company has taken advantage of the exemptions in section 1.11-1.12 from preparing a cash flow statement, the requirement of section 33.7 to disclose key management personnel compensation and the requirement of paragraph 9.3 to prepare consolidated financial statements. The BGC Group prepares publicly available consolidated financial statements including a cash flow statement which are intended to give a true and fair view of the assets, liabilities, financial position, profit or loss and cash flows and the Company is included in the BGC Group's consolidated financial statements.

2.7 Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.8 Deferred taxation

Deferred tax is recognised in respect of all timing differences, which occur between the Company's taxable profits and total comprehensive income, arising from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2.9 Financial Instruments

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

GFI MARKETS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

3. Profit on ordinary activities before taxation

The profit on ordinary activities before taxation is stated after charging:

	2019 US\$000	2018 US\$000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	19	19
Foreign exchange gain	11	13

4. Dividends

	2019 US\$000	2018 US\$000
Dividend received	6,500	-

The Company received US\$6.5m in dividend income from its investment in Kyte Capital Management during the year (2018: nil).

5. Staff numbers and costs

The Company is a holding company and does not employ any staff.

6. Directors remuneration

	2019 US\$000	2018 US\$000
Directors' remuneration	2	2
Remuneration of the highest paid director	1	1

Directors' remuneration was borne by a fellow BGC Group entity and not recharged to the Company.

GFI MARKETS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

7. Taxation

	2019 US\$000	2018 US\$000
Current tax:		
Total tax per income statement	-	-
The charge for the year can be reconciled to the profit per the income statement as follows:		
	2019 US\$000	2018 US\$000
Profit on ordinary activities before tax	6,471	8,452
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	1,229	1,606
Effects of:		
Group relief / other reliefs	6	13
Non-taxable income	(1,235)	(1,619)
Total tax charge for the year	-	-

The effective statutory corporation tax rate for the year ended 31 December 2019 is 19%. Finance Act 2016 which was substantively enacted on 6 September 2016 confirmed that the rate of corporation tax will reduce to 17% from 1 April 2020. However, the budget on 1 March 2020 confirmed that the rate reduction to 17% will now not go ahead and the corporation tax will remain at 19%.

8. Fixed asset investments

	Investment in subsidiary company US\$000
Cost and carrying value	
At 1 January 2019	10,514
At 31 December 2019	10,514
Net book value	
At 31 December 2019	10,514
At 31 December 2018	10,514
Subsidiary undertaking	

The following is the subsidiary undertaking of the Company:

Name:	Country:	Holding:	Principal activity:
Kyte Capital Management Limited	United Kingdom	100%	Investment Company

GFI MARKETS INVESTMENTS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019**

9. Debtors

	2019 US\$000	2018 US\$000
Amounts owed by group undertakings	1,199	13,500
Other debtors	2	3
Tax recoverable	6	5
	<u>1,207</u>	<u>13,508</u>

The directors consider the carrying value of debtors falling due within one year approximates to fair value. The amounts owed by group undertakings are unsecured, non-interest bearing and payable on demand.

10. Creditors: amounts falling due within one year

	2019 US\$000	2018 US\$000
Amounts owed to group undertakings	<u>993</u>	<u>5,265</u>

The directors consider the carrying value of creditors falling due within one year approximates to fair value. The amounts owed to group undertakings are unsecured, non-interest bearing and repayable on demand.

11. Share capital

	2019 US\$000	2018 US\$000
Shares classified as equity		
Allotted, called up and fully paid		
1,001 (2018: 1,001) Ordinary shares of £1 each	<u>1</u>	<u>1</u>

GFI MARKETS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

12. Related party transactions

The Company has taken advantage of the exemption in FRS 102 not to disclose transactions with other BGC Group entities that are directly or indirectly wholly owned by BGC Partners, Inc., whose financial statements are publicly available. BGC Partners, Inc. is partially owned by Cantor Fitzgerald, L.P., the ultimate controlling entity. Disclosed below are the related party transaction balances as at 31 December 2019.

	2019 US\$000	2018 US\$000
Amount due from related party		
Entities with control over the Company	-	13,500
Other affiliated entities	1,199	-
Total	1,199	13,500
Amount due to related party		
Other affiliated entities	(993)	(5,265)
Total	(993)	(5,265)

13. Ultimate parent undertaking and controlling party

The immediate parent company is GFinet Inc., a company which is incorporated in the United States of America. The ultimate controlling party is Cantor Fitzgerald, LP, which is registered in the United States of America.

The smallest and largest group to make its financial statements publicly available into which the results of the Company are consolidated is BGC Partners, inc., incorporated in the United States of America. The consolidated financial statements of this group are available from 499 Park Avenue, New York, USA 10022. The largest group into which the results of the Company are consolidated is Cantor Fitzgerald L.P.

GFI MARKETS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2019

14. Post balance sheet events

COVID-19

Management is considering the potential economic impact to the Company of the COVID-19 pandemic. The company is an investment holding vehicle for its subsidiaries. As part of its going concern review, the Company has stress tested the potential impact of a significant downturn in the activity levels on profitability of its significant trading subsidiaries. We do not expect there to be a material impact on the financial position of its significant trading subsidiaries. Thus we do not expect there to be a material impact on valuation of our investment in these subsidiaries which leads to any impairment. We expect the Company to have adequate resources to continue for the foreseeable future. While there remains significant uncertainty regarding the developments of the pandemic and the future economic recovery, the Board has concluded that COVID-19 is a non-adjusting post balance sheet event.

At 31 December 2019, the Company's subsidiary, Kyte Capital Management Ltd ('KCM'), held an investment in BIP Trading LLP ('BIP') with a carrying value of US\$913k and an amount of other receivables with a carrying value of US\$1,565k. For the year ended 31 December 2019, BIP made a profit and held net assets with a carrying value in excess of KCM's investment. Due to adverse market conditions during Q1 2020, BIP incurred significant losses. As a result of BIP's losses, the directors of KCM decided to impair both KCM's investment in, and its receivables due from, BIP to US\$nil. On 20 March 2020, KCM disposed of its investment in BIP to an external party for EUR1.00 cash consideration. The directors of the Company consider this to be a non-adjusting post balance sheet event and as such no adjustments have been made in the financial statements for the year ended 31 December 2019.

There are no other significant events occurring after the balance sheet date, up to the date of approval of the financial statements that would meet the criteria to be disclosed or adjusted in the financial statements as at 31 December 2019 and for the year then ended.