

ALGER MANAGEMENT, LTD.

**Company Registration Number:
08634056 (England and Wales)**

Unaudited statutory accounts for the year ended 31 December 2021

Period of accounts

Start date: 1 January 2021

End date: 31 December 2021

ALGER MANAGEMENT, LTD.

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ALGER MANAGEMENT, LTD.

Directors' report period ended 31 December 2021

The directors present their report with the financial statements of the company for the period ended 31 December 2021

Principal activities of the company

Directors' Report The directors present their report and the audited financial statements of Alger Management 1 Ltd. (the Company) for the year ended 31 December 2021. **Principal activities** The Company is a United Kingdom subsidiary and a European distributor of, and investment advisor for certain Alger investment products including the Alger SICAV. The Company is authorised and regulated by the Financial Conduct Authority (FCA). All of the Company's activities during the period were conducted within the scope of permissions granted by the FCA.

Political and charitable donations

Political and charitable donations The Company made no political or charitable donations during the year and nil in 2020.

Additional information

Going Concern We have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future, including the next twelve months from the date of the approval of the audited financials, and thus we continue to adopt the going concern basis of accounting in preparing the annual financial statements. This expectation is supported by: Financial projections that project sustained profitability. For the year ended 31 December 2021, the Company had profits before taxation of £1.65M versus £777K for year ended 31 December 2020, an increase of 113%. Due to the current market sentiments and uncertainty surrounding world events, the financial markets are off to a difficult start for year ending 31 December 2022. Accordingly, the Company's 2022 forecast reflects this environment in a very conservative manner, and as a result, the Company is forecasting a profit before taxation of approximately £1.2M. Although profits are projected to decrease from 2021, the Company is still forecasting a robust level of profitability and further demonstration of the viability of the Company on a go forward basis. At year end 31 December 2021, the Company had \$1.621 billion in AUM and is projecting \$1.264B for year ending 31 December 2022. The continuation of positive cash flows that will enable the Company to meet liabilities as they fall due. At 31 December 2021, the Company had £6.2M in Cash versus £2.2M at 31 December 2020. During 2021, the Company generated £4.0M in cash versus £1.4M in 2020. Based upon the Cash Flow projections at for 31 December 2022 under the "worst case" scenario of 50% realization of the 2022 Forecasted revenues, the Company would still be able to generate approximately £500K in positive cash flows. More than adequate surplus regulatory capital. At 31 December 2021, the Company had £2.4M in Total Equity versus £1M in Total Equity at 31 December 2020. The £2.4M is significantly in excess of the regulatory requirement, which is based upon the Company's Fixed Overhead Requirement (FOR) of approximately £105K, for a surplus of over £2.2M. As the Company grows, the fixed costs, i.e., headcount, compensation, occupancy and certain professional fees will remain relatively flat and are projected to remain the same in 2022 while capital is expected to continue to increase due to expected profitability. Management's commitment to AML. AAI considers the Company as a strategic piece of the Alger business model and will utilize the substantial resources within Alger Associates, Inc. to ensure and enhance the Company's viability, growth, and success as a going concern for the foreseeable future.

Directors

The directors shown below have held office during the whole of the period from
1 January 2021 to 31 December 2021

LORD CARRINGTON
HAL LIEBES
DANIEL CHUNG

Secretary HAL LIEBES

The above report has been prepared in accordance with the special provisions in part 15 of the Companies Act 2006

This report was approved by the board of directors on
19 April 2022

And signed on behalf of the board by:

Name: HAL LIEBES

Status: Secretary

ALGER MANAGEMENT, LTD.

Profit And Loss Account for the Period Ended 31 December 2021

	2021	2020
	£	£
Turnover:	16,038,740	10,814,302
Cost of sales:	(12,879,273)	(8,693,555)
Gross profit(or loss):	<u>3,159,467</u>	<u>2,120,747</u>
Distribution costs:	(783,695)	(551,004)
Administrative expenses:	(783,526)	(792,927)
Other operating income:	62,135	0
Operating profit(or loss):	<u>1,654,381</u>	<u>776,816</u>
Interest receivable and similar income:	0	0
Interest payable and similar charges:	0	0
Profit(or loss) before tax:	<u>1,654,381</u>	<u>776,816</u>
Tax:	(314,332)	144,176
Profit(or loss) for the financial year:	<u>1,340,049</u>	<u>920,992</u>

ALGER MANAGEMENT, LTD.

Balance sheet

As at 31 December 2021

	<i>Notes</i>	<i>2021</i>	<i>2020</i>
		£	£
Current assets			
Debtors:	3	1,594,963	1,439,558
Cash at bank and in hand:		6,229,268	2,205,750
Total current assets:		<u>7,824,231</u>	<u>3,645,308</u>
Creditors: amounts falling due within one year:	4	(5,458,757)	(2,619,883)
Net current assets (liabilities):		<u>2,365,474</u>	<u>1,025,425</u>
Total assets less current liabilities:		<u>2,365,474</u>	<u>1,025,425</u>
Total net assets (liabilities):		<u>2,365,474</u>	<u>1,025,425</u>
Capital and reserves			
Called up share capital:		60,000	60,000
Share premium account:		545,007	545,007
Other reserves:		0	0
Profit and loss account:		1,760,467	420,418
Total Shareholders' funds:		<u>2,365,474</u>	<u>1,025,425</u>

The notes form part of these financial statements

ALGER MANAGEMENT, LTD.

Balance sheet statements

For the year ending 31 December 2021 the company was entitled to exemption under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These accounts have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

**This report was approved by the board of directors on 19 April 2022
and signed on behalf of the board by:**

Name: HAL LIEBES
Status: Director

The notes form part of these financial statements

ALGER MANAGEMENT, LTD.

Notes to the Financial Statements

for the Period Ended 31 December 2021

1. Accounting policies

Basis of measurement and preparation

These financial statements have been prepared in accordance with the provisions of Section 1A (Small Entities) of Financial Reporting Standard 102

Turnover policy

Turnover Management and sub-advisory fees are paid to the Company for advisory and sub-advisory services provided primarily to the Alger SICAV. Such fees are accrued monthly and are recognized as earned based on the terms of the SICAV agreements

Other accounting policies

Going concern For the year ended 31 December 2021, the Company generated a profit of £1,340,049 and operating cash inflows for the year of £4,023,518. The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons. The Company had cash at bank £6,229,268 as at 31 December 2021. The directors have prepared profit forecasts and cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements, which indicate that, taking account of reasonably possible downsides, including a 50% decrease in management fee revenues as a result of the potential impact of any unforeseen events, the Company will have sufficient funds to meet its liabilities as they fall due for that period. Expenses Expenses are recorded on an accrual basis and expensed in the period incurred. Cost of Goods Sold The Cost of Goods sold include Distribution fees which are compensation paid to third party sellers of the Alger SICAV. The fees are contractual, AUM based, and vary by share class. The Company incurs these fees as long the underlying investor holds the position in the Alger SICAV. The fees are accrued for on a monthly basis. Also included are fees paid to certain affiliates for sub-advisory services, administrative and marketing support. Sub-advisory fees are AUM based and are paid to Weatherbie Capital, LLC (WBC) for sub-advising on certain Alger SICAV. The Company also pays AUM based fees to Fred Alger Management, LLC (FAM) for Administrative and Compliance support and Fred Alger & Company, LLC (FAC) for marketing support. These fees are discussed in greater detail in the Related Party disclosure. Taxation Tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected tax payable or receivable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Cash and Cash Equivalents Cash and cash equivalents in the years ended 31 December 2021 and 31 December 2020 comprises cash held in banks only. Trade and other debtors and creditors Trade and other debtors and creditors are initially recognised at transaction price. Trade and other debtors are subsequently recognised at amortised cost less impairment. Trade and other creditors are subsequently recognized at amortized cost. Foreign Currency Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities that are measured in terms of historical costs in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on transactions are recognized in the profit and loss account.

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Notes to the Financial Statements for the Period Ended 31 December 2021

2. Employees

	<i>2021</i>	<i>2020</i>
Average number of employees during the period	1	1

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Notes to the Financial Statements

for the Period Ended 31 December 2021

3. Debtors

	<i>2021</i>	<i>2020</i>
	£	£
Trade debtors	1,575,455	1,237,655
Prepayments and accrued income	19,508	34,318
Other debtors	0	167,585
Total	<u>1,594,963</u>	<u>1,439,558</u>
Debtors due after more than one year:	0	0

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Notes to the Financial Statements

for the Period Ended 31 December 2021

4. Creditors: amounts falling due within one year note

	<i>2021</i>	<i>2020</i>
	£	£
Bank loans and overdrafts		0
Amounts due under finance leases and hire purchase contracts		0
Trade creditors	5,288,601	2,619,883
Taxation and social security	170,156	
Total	<u>5,458,757</u>	<u>2,619,883</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.