

COMPANY REGISTRATION NUMBER: 12332694

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Financial Statements

31 December 2022

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Ellora Partners Limited (Formerly Alvarium Securities Limited)

Financial Statements

Year ended 31 December 2022

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Ellora Partners Limited (Formerly Alvarium Securities Limited)

Officers and Professional Advisers

The board of directors

Mr M O'Flaherty
Mr E Nissen
Mr M Thompson

Registered office

10 Old Burlington Street
London
England
United Kingdom
W1S 3AG

Auditor

KPMG LLP
Chartered Accountants & Statutory Auditor
15 Canada Square
London
E14 5GL

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Strategic Report

Year ended 31 December 2022

The directors present their strategic report for the year ended 31 December 2022.

Change of name

On 10 March 2023 the company changed its name from Alvarium Securities Limited to Ellora Partners Limited.

Principal activity

The Company's principal activity is that of a securities broker whose focus is providing advisory services and raising capital for a variety of investment trusts. The Company is regulated by the F.C.A.

Fair review of business

Turnover for the year came to £6,682,530 (2021: £6,689,300) predominantly comprised of transactional success fees. The main driver of this decrease in turnover is due to one off transaction fees of £5.8m received in the prior year in relation to the public market raise in that year.

Total costs of sales of £3,476,897 (2021: £4,811,953) and administration costs of £499,379 (2021: £396,056) were incurred during the period resulting in an overall profit before tax of £2,706,254 (2021: £4,105,555). The decrease in the overall profit before tax has been primarily driven by the decrease in turnover, partially mitigated by a corresponding decrease in the cost of sales.

The directors can also report an earnings before interest, tax, depreciation and amortisation ('EBITDA') of £2,706,952 (2021: £4,105,985).

At the end of the year the Company had net assets of £8,303,784 (2021: £5,605,571). This increase has been driven by the profit for the year.

Key Performance Indicators

The key performance indicators used by management to measure the performance of the company are Turnover, EBITDA and profit before tax as reported and discussed in the business review above.

Principal risks and uncertainties

The company is exposed to competitive pressure and the risk of losing key clients to competitors. The directors monitor this risk through maintaining excellent client service and relationships, across multiple partners within the business.

Notwithstanding the current macroeconomic headwinds and market uncertainty due to the ongoing war in Ukraine, the directors of the company remain confident of the company's prospects for 2023 and beyond.

The nature of the company's activities leave them exposed to possible regulatory penalties, which would have a negative impact in an industry where reputation is key. The directors minimise this risk with thorough risk assessment and compliance procedures.

Statement by the directors in performance of their statutory duties in accordance with s172(1) Companies Act 2006

The directors of the company, as those of all UK companies, must act in accordance with a set of general duties. These duties are detailed in section 172 of the Companies Act 2006, which is summarised as follows:

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Strategic Report *(continued)*

Year ended 31 December 2022

"A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole, and in doing so, have regard (amongst other matters) to:

- a) The likely consequences of any decisions in the long term;
 - b) The interests of the company's employees;
 - c) The need to foster the company's business relationships with suppliers, customers and others;
 - d) The impact of the company's operations on the community and the environment;
 - e) The desirability of the company maintaining a reputation for high standards of business conduct;
- and

- f) The need to act fairly as between shareholders of the company."

The following paragraphs summarise how the directors fulfil these duties.

Long term decision making

The company prepares an annual budget approved by the Board. Performance against budget is monitored quarterly. Decision making is focused on client service and driving long term performance in preference to chasing short term wins.

The company also conducts weekly team meetings, quarterly strategy meetings and a series of planning meetings for specific upcoming IPOs and further principal activity work.

Employees

The company has a well-developed structure through which it engages regularly with employees to share information and obtain feedback. The company aims to conduct all-employee 'Town Hall' meetings on an annual basis, at which senior management provide updates on business performance and strategy.

This is also communicated on the company's internal intranet with weekly news uploaded. The company conducts employee satisfaction surveys and appraisals with results considered at Board level to ensure that the interests of employees are at the heart of decision making.

The company aims to improve employee welfare through flexible working practice, ensuring best possible working conditions including but not limited to; Office chairs, food, drink & more, regular team building and social events as well as regular one-on-one meetings, both formal and informal.

Diversity & Inclusion (D&I)

The company is an equal opportunities employer, committed to equality of opportunity and to providing a service and following practices which are free from unfair and unlawful discrimination. While our full Equal Opportunities policy is contained within our company handbook, the aim of this policy is to go beyond our compliance with local legislation and to promote and support diversity and inclusion in the workplace.

The company's goals are to:

1. Improve retention of mid-level female employees through to leadership positions
2. Increase recruitment and retention of ethnically diverse individuals
3. Participate in at least two diversity focused strategic partnerships

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Strategic Report *(continued)*

Year ended 31 December 2022

How we track and measure D&I

The company tracks its D&I statistics largely via its Human Resources Information System (HRIS) and presents relevant data bi-annually at the Company Operations Board meeting. Information gathered includes, but is not limited to headcount categorisation, equal pay reporting (non-mandatory - indicative only), future workforce plans and project initiatives e.g. strategic partnerships, events, volunteering and donations. All aspects of the policy is evaluated and monitored on an annual basis to ensure the policy remains relevant to the company's needs and in line with changes to the company's business plan.

Community and Environment

The group of which the company is a member is a signatory to the UN supported Principles for Responsible Investment as a service provider, is aware of its corporate social responsibilities ("CSR") and has undertaken initiatives to include environmental, social and governance ("ESG") considerations into its day to day decision making and long term planning to make a meaningful contribution.

The company has enshrined the importance of contribution towards CSR ESG initiatives by weaving consideration of an employee's contribution in this area into the review process, compensation structure and key performance indicator models.

The group has set up a charitable foundation to support chosen philanthropic aims with charitable donations through partners, employees and clients. The group will donate directly, match fund with employees and co-give with clients and partners.

The company has raised over £1 billion for accommodation for the homeless as well as £250 million raised for renewable assets. The group has also set up a volunteering program whereby employees are encouraged to utilise their skills to help local initiatives and is working with external consultants with a view to better monitoring and improving its environmental impact.

ESG now forms a core part of the firm's investment and operational due diligence. The group has implemented ESG by having its focus managers answer a detailed ESG evaluative grid to understand the policies in place at each firm and the degree to which Environmental, Social or Governance factors are a core part of their investment process. The investment committee processes for Real Estate and Co-investment now include an analysis of ESG factors.

Business conduct

The group, of which the company is a member, contains several regulated entities worldwide. The group is focused on ensuring a high level of conduct and integrity at all times. The group has implemented stringent global compliance processes led and overseen by an experienced group compliance team in the UK.

Shareholders

During the year the group, of which the company is a member, was majority owned by two significant family office investor shareholders, with the remaining minority shareholding owned by senior management. Both significant shareholders have board representation, with one director also being the CEO of the ultimate shareholder. This ensures a high level of shareholder engagement. The remaining members of the board all hold minority shareholdings, along with other members of senior management, all of whom perform executive functions within the business, which again ensures a high level of shareholder involvement and engagement.

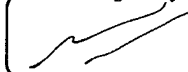
Ellora Partners Limited (Formerly Alvarium Securities Limited)

Strategic Report *(continued)*

Year ended 31 December 2022

This report was approved by the board of directors on 29 September 2023 and signed on behalf of the board by:

DocuSigned by:



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Mr M Thompson

Director

Registered office:
10 Old Burlington Street
London
England
United Kingdom
W1S 3AG

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Directors' Report *(continued)*

Year ended 31 December 2022

The directors present their report and the financial statements of the company for the year ended 31 December 2022.

Directors

The directors who served the company during the year and through to the date of this report were as follows:

Mr J Elkington	(Resigned 1 May 2023)
Mr E Nissen	
Mr M Thompson	
Mr M O'Flaherty	(Appointed 7 June 2022)
Ms S Rowney	(Resigned 16 September 2022)
Mr E Shave	(Resigned 7 June 2022)

Dividends

The directors do not recommend the payment of a dividend.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate. The directors have considered the current and likely forecast future economic environment in coming to their conclusion.

Management has considered the events subsequent to the year end, including the business combination and public listing of the group, of which the company is a member, and prepared a financial forecast.

Based on this forecast management has considered if the company is expected to maintain adequate financial resources for it to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date of these financial statements.

Furthermore, management has modelled a further downside scenario producing a reasonable worst-case scenario. This reasonable worst-case scenario assumes a decline in recurring revenues. This worst-case scenario has been modelled without mitigating actions and is considered highly unlikely to occur.

Upon considering this reasonable worst-case scenario, management has concluded that even under the conditions set out in that scenario, the company is expected to maintain adequate financial resources to it to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date of these financial statements.

Future developments

Due to the company's strong balance sheet and continued strong performance in the year, the directors anticipate the company performance to remain strong during 2023.

The directors consider the state of the company's affairs to be encouraging and anticipate results for the coming year to benefit from the group's combination with Tiedemann Advisors, LLC and TIG Advisors on behalf of the Cartesian Growth Corporation under the Securities Exchange Act of 1993 in relation to a public listing on the US Nasdaq under Alvarium Tiedemann.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Directors' Report *(continued)*

Year ended 31 December 2022

Greenhouse gas emissions and energy consumption

Information not included

The company has not disclosed information under the requirements of Streamlined Energy and Carbon Reporting (SECR) since this information is included in the accounts prepared by AlTi Asset Management Holdings 2 Limited (formerly Alvarium Investments Limited), the ultimate parent company, on a consolidated basis.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 17 to the financial statements.

Disclosure of information in the strategic report

As permitted by s414c(11) of the Companies Act 2006, the directors have elected to disclose information, required to be in the directors' report by Schedule 7 of the 'Large and Medium-sized Companies and Group (Accounts and Report) Regulations 2008', in the strategic report.

Directors' responsibilities statement

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 year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), 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 judgements and 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;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Directors' Report *(continued)*

Year ended 31 December 2022

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

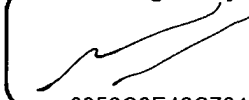
Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006.

This report was approved by the board of directors on 29 September 2023 and signed on behalf of the board by:

DocuSigned by:



6356C8E46C704B6...
Mr M Thompson
Director

Registered office:
10 Old Burlington Street
London
England
United Kingdom
W1S 3AG

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Independent Auditor's Report to the Members of Ellora Partners Limited (Formerly Alvarium Securities Limited) (continued)

Year ended 31 December 2022

Opinion

We have audited the financial statements of Ellora Partners Limited ("the Company") for the year ended 31 December 2022 which comprise the Statement of comprehensive income, Statement of financial position and Statement of changes in equity and related notes, including the accounting policies in note 3.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Independent Auditor's Report to the Members of Ellora Partners Limited (Formerly Alvarium Securities Limited) (continued)

Year ended 31 December 2022

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Considering remuneration incentive schemes and performance targets for management
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that the Company's management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the calculation of revenue is non-judgmental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.
- Evaluated the business purpose of significant unusual transactions
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors and others management (as required by auditing standards), and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Independent Auditor's Report to the Members of Ellora Partners Limited (Formerly Alvarium Securities Limited) *(continued)*

Year ended 31 December 2022

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: anti-bribery, anti-money laundering, market abuse regulations and financial services regulations including client asset rules, regulatory capital and liquidity requirements and certain aspects of company legislation recognising the financial and regulated nature of the Company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information, which comprises the strategic report and the directors' report. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in the strategic report and the directors' report for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Independent Auditor's Report to the Members of Ellora Partners Limited (Formerly Alvarium Securities Limited) (continued)

Year ended 31 December 2022

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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 directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, 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 members 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 members, as a body, for our audit work, for this report, or for the opinions we have formed.

Alison Allen

Alison Allen (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
15 Canada Square
London
E14 5GL
Date: 29 September 2023

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Statement of Comprehensive Income

Year ended 31 December 2022

	Note	2022 £	2021 £
Turnover	4	6,682,530	9,313,564
Cost of sales		(3,476,897)	(4,811,953)
Gross profit		3,205,633	4,501,611
Administrative expenses		(499,379)	(396,056)
Operating profit	5	2,706,254	4,105,555
Profit before taxation		2,706,254	4,105,555
Tax on profit	9	(8,041)	(261,020)
Profit for the financial year and total comprehensive income		<u>2,698,213</u>	<u>3,844,535</u>

All the activities of the company are from continuing operations.

The notes on pages 16 to 26 form part of these financial statements.

Ellora Partners Limited (Formerly Alvarium Securities Limited)


Statement of Financial Position

31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	10	9,688	753
Current assets			
Debtors	11	10,972,692	6,582,042
Cash at bank and in hand		448	2,367,581
		<u>10,973,140</u>	<u>8,949,623</u>
Creditors: amounts falling due within one year	12	<u>(2,676,622)</u>	<u>(3,344,662)</u>
Net current assets		<u>8,296,518</u>	<u>5,604,961</u>
Total assets less current liabilities		<u>8,306,206</u>	<u>5,605,714</u>
Provisions	13	<u>(2,422)</u>	<u>(143)</u>
Net assets		<u><u>8,303,784</u></u>	<u><u>5,605,571</u></u>
Capital and reserves			
Called up share capital	16	1	1
Profit and loss account		<u>8,303,783</u>	<u>5,605,570</u>
Shareholders funds		<u><u>8,303,784</u></u>	<u><u>5,605,571</u></u>

These financial statements were approved by the board of directors and authorised for issue on 29 September 2023..., and are signed on behalf of the board by:

DocuSigned by:



6356C8E46C704B6...
Mr M Thompson
Director

Company registration number: 12332694

The notes on pages 16 to 26 form part of these financial statements.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Statement of Changes in Equity

Year ended 31 December 2022

	Called up share capital £	Profit and loss account £	Total £
At 1 January 2021	1	1,761,035	1,761,036
Profit for the year	–	3,844,535	3,844,535
Total comprehensive income for the year	–	3,844,535	3,844,535
At 31 December 2021	1	5,605,570	5,605,571
Profit for the year	–	2,698,213	2,698,213
Total comprehensive income for the year	–	2,698,213	2,698,213
At 31 December 2022	<u>1</u>	<u>8,303,783</u>	<u>8,303,784</u>

The notes on pages 16 to 26 form part of these financial statements.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements

Year ended 31 December 2022

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is 10 Old Burlington Street, London, W1S 3AG, England, United Kingdom.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis, under the historical cost basis, as modified by the revaluation of certain financial assets and liabilities. They have been prepared in accordance with applicable accounting standards.

The financial statements are prepared in pound sterling, which is the functional currency of the entity.

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

Going concern

The financial statements have been prepared on a going concern basis which the directors consider to be appropriate. The directors have considered the current and likely forecast future economic environment in coming to their conclusion.

Management has considered the events subsequent to the year end, including the business combination and public listing of the group, of which the company is a member, and prepared a financial forecast.

Based on this forecast management has considered if the company is expected to maintain adequate financial resources for it to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date of these financial statements.

Furthermore, management has modelled a further downside scenario producing a reasonable worst-case scenario. This reasonable worst-case scenario assumes a decline in recurring revenues. This worst-case scenario has been modelled without mitigating actions and is considered highly unlikely to occur.

Upon considering this reasonable worst-case scenario, management has concluded that even under the conditions set out in that scenario, the company is expected to maintain adequate financial resources to it to continue in operational existence and meet its liabilities as they fall due for the foreseeable future, being a period of at least twelve months from the date of these financial statements.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of AITI Asset Management Holdings 2 Limited (formerly: Alvarium Investments Limited) which can be obtained from Companies House. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company.
- (b) Disclosures in respect of financial instruments have not been presented.
- (c) Disclosures in respect of share-based payments have not been presented.
- (d) No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the financial reporting date and the amounts reported for revenues and expenses during the year. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Significant judgements

In preparing these financial statements, the directors have not made any critical judgements in applying accounting policies.

Key sources of estimation uncertainty

Accounting estimates and assumptions are made concerning the future and, by their nature, will rarely equal the related actual outcome. The directors do not believe there are any key assumptions or other sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Transactional revenue

Fees receivable for fund raising activities are recognised at the point a transaction (such as an IPO) closes.

Retainers

In respect of post transaction services provided through retainer arrangements, revenue is recognised on a straight line basis across the term of the engagement.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Revenue recognition *(continued)*

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are 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 using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Foreign currencies

Functional and presentational currency

The company's financial statements are presented in pound sterling.

Foreign currency transactions

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Tangible assets *(continued)*

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Equipment - 3 year straight line

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the smallest cash-generating unit to which the asset belongs. The smallest cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

3. Accounting policies *(continued)*

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Compound instruments

Compound instruments comprise both a liability and an equity component. At date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar debt instrument. The liability component is accounted for as a financial liability.

The residual is the difference between the net proceeds of issue and the liability component (at time of issue). The residual is the equity component, which is accounted for as an equity instrument.

The interest expense on the liability component is calculated applying the effective interest rate for the liability component of the instrument. The difference between this amount and any repayments is added to the carrying amount of the liability in the balance sheet.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

Employee benefits

All employee benefits are categorised under cost of sales.

Defined contribution pension plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

Annual bonus plan

The company's employees participate in a group wide annual bonus plan. An expense is recognised in the profit and loss account when the company has a legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

Contractual bonuses due to employees are accrued in line with the period of service to which they relate.

Discretionary or profit derived bonuses are recognised as soon as a constructive obligation to pay them arises.

Short term benefits

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

4. Turnover

Turnover arises from:

	2022	2021
	£	£
Rendering of services	6,682,530	9,313,564

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

5. Operating profit

Operating profit or loss is stated after charging:

	2022	2021
	£	£
Depreciation of tangible assets	698	430
Foreign exchange differences	745	446

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

6. Auditor's remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	<u>70,025</u>	<u>62,750</u>
Fees payable to the company's auditor and its associates for other services:		
Other assurance services	<u>22,000</u>	<u>20,000</u>

7. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to:

	2022	2021
	No.	No.
Administrative staff	5	6
Management staff	2	2
	<u>7</u>	<u>8</u>

The aggregate payroll costs incurred during the year, relating to the above, were:

	2022	2021
	£	£
Wages and salaries	2,990,253	4,082,983
Social security costs	427,827	545,770
Other pension costs	64,568	65,335
	<u>3,482,648</u>	<u>4,694,088</u>

8. Directors' remuneration

The directors' aggregate remuneration in respect of qualifying services was:

	2022	2021
	£	£
Remuneration	2,054,948	3,426,916
Company contributions to defined contribution pension plans	1,584	19,011
	<u>2,056,532</u>	<u>3,445,927</u>

The number of directors who accrued benefits under company pension plans was as follows:

	2022	2021
	No.	No.
Defined contribution plans	<u>1</u>	<u>1</u>

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements (continued)

Year ended 31 December 2022

8. Directors' remuneration (continued)

Remuneration of the highest paid director in respect of qualifying services:

	2022 £	2021 £
Aggregate remuneration	<u>1,027,676</u>	<u>1,775,682</u>

Some of the directors of the company were also directors of other companies in the group. The directors do not believe it is practical to apportion their remuneration between their services as directors for the company and their services as directors of other companies within the group. Therefore, the full salary cost is borne by AITi Asset Management Holdings 2 Limited (formerly Alvarium Investments Limited).

9. Tax on profit

Major components of tax expense

	2022 £	2021 £
Current tax:		
UK current tax expense	–	260,877
Adjustments in respect of prior periods	<u>5,762</u>	<u>–</u>
Total current tax	<u>5,762</u>	<u>260,877</u>
Deferred tax:		
Origination and reversal of timing differences	1,698	143
Impact of change in tax rate	<u>581</u>	<u>–</u>
Total deferred tax	<u>2,279</u>	<u>143</u>
Tax on profit	<u>8,041</u>	<u>261,020</u>

Reconciliation of tax expense

The tax assessed on the profit on ordinary activities for the year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%).

	2022 £	2021 £
Profit on ordinary activities before taxation	<u>2,706,254</u>	<u>4,105,555</u>
Profit on ordinary activities by rate of tax	514,188	780,056
Adjustment to tax charge in respect of prior periods	<u>5,762</u>	<u>–</u>
Effect of expenses not deductible for tax purposes	18,766	22,116
Effect of capital allowances and depreciation	(549)	225
Group relief claimed	<u>(530,707)</u>	<u>(541,377)</u>
Impact of change in tax rates	<u>581</u>	<u>–</u>
Tax on profit	<u>8,041</u>	<u>261,020</u>

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

9. Tax on profit *(continued)*

Factors that may affect future tax expense

On 3 March 2021 the UK government announced an increase the UK corporation tax rate to 25% with effect from 1 April 2023. The impact of this on the Company's deferred tax liability is included above.

10. Tangible assets

	Equipment £
Cost	
At 1 January 2022	1,290
Additions	9,633
At 31 December 2022	<u>10,923</u>
Depreciation	
At 1 January 2022	537
Charge for the year	698
At 31 December 2022	<u>1,235</u>
Carrying amount	
At 31 December 2022	<u>9,688</u>
At 31 December 2021	<u>753</u>

11. Debtors

	2022 £	2021 £
Trade debtors	75,974	18,121
Amounts due from Group undertakings	10,865,464	6,141,924
Prepayments and accrued income	26,834	347,626
Other debtors	4,420	74,371
	<u>10,972,692</u>	<u>6,582,042</u>

Amounts due from Group undertakings are interest free and repayable on demand.

12. Creditors: amounts falling due within one year

	2022 £	2021 £
Trade creditors	41,350	22,762
Amounts due to Group undertakings	434,838	40,000
Accruals and deferred income	1,933,795	2,967,557
Corporation tax	266,639	260,877
Social security and other taxes	—	53,466
	<u>2,676,622</u>	<u>3,344,662</u>

Amounts owed to Group undertakings are interest free and repayable on demand.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

13. Provisions

	Deferred tax (note 14)
	£
At 1 January 2022	143
Additions	1,698
Tax rate changes	581
At 31 December 2022	<u>2,422</u>

14. Deferred tax

The deferred tax included in the statement of financial position is as follows:

	2022	2021
	£	£
Included in provisions (note 13)	<u>2,422</u>	<u>143</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	2022	2021
	£	£
Accelerated capital allowances	<u>2,422</u>	<u>143</u>

15. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £64,568 (2021: £65,335).

16. Called up share capital

Issued, called up and fully paid

	2022		2021
	No.	£	No.
Ordinary shares of £1 each	<u>1</u>	<u>1</u>	<u>1</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

17. Events after the end of the reporting period

On 3 January 2023, the business combination and public listing of the group, of which the company was a member, with Cartesian Growth Corporation announced on 20 September 2021, became effective.

Ellora Partners Limited (Formerly Alvarium Securities Limited)

Notes to the Financial Statements *(continued)*

Year ended 31 December 2022

18. Related party transactions

The company has taken advantage of the exemption offered by FRS102 from disclosing transactions with other wholly owned members of the group of which the company is a member.

19. Controlling party

At 31 December 2022 the immediate parent company was AITi RE Limited (formerly Alvarium RE Limited), a company incorporated in England and Wales at 10 Old Burlington Street, London, England, W1S 3AG.

The ultimate parent company, at 31 December 2022, was AITi Asset Management Holdings 2 Limited (formerly Alvarium Investments Limited), a company incorporated in England and Wales at 10 Old Burlington Street, London, England, W1S 3AG. As at 31 December 2022 AITi Asset Management Holdings 2 Limited (formerly Alvarium Investments Limited) was the smallest and largest group to prepare consolidated accounts in which the results of the company are included.

As at 31 December 2022 AITi Asset Management Holdings 2 Limited (formerly Alvarium Investments Limited) was not controlled by any single party.

Subsequent to the year end, on 3 January 2023, the Cartesian Capital Group completed its acquisition of the Alvarium and Tiedemann groups. As a result of this AITi Asset Management Holdings 2 Limited ceased to be the ultimate parent company of Ellora Partners Limited (Formerly: Alvarium Securities Limited). Following this date AITi Global Inc. became the ultimate parent company.