

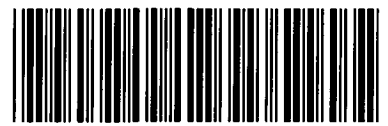
Company Registration No. OC399402
(England and Wales)

Apollo Asset Management Europe LLP

Members' Report and Financial Statements

For year ended 31 December 2017

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Apollo Asset Management Europe LLP

Members' report and financial statements For year ended 31 December 2017

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Apollo Asset Management Europe LLP

Limited liability partnership information For year ended 31 December 2017

Members

AAME UK CM, LLC
APOLLO PRINCIPAL HOLDINGS XI, LLC

Registration number

OC399402

Registered office

25 St George Street
London
W1S 1FS

Business address

25 St George Street
London
W1S 1FS

Bankers

Bank of America
2 King Edward Street
London
EC1A 1HQ

Auditor

Deloitte LLP
2 New Street Square
London
EC4A 3BZ

Apollo Asset Management Europe LLP

Members' report For year ended 31 December 2017

The members present their report and financial statements for the year ended 31 December 2017. The limited liability partnership was incorporated on 16 April 2015 and began trading in January 2016.

Principal activities and review of the business

The principal activity of the limited liability partnership ('the Partnership') is to provide investment advisory services to various third-party clients. The Partnership commenced providing services and generated revenues as a result in the year.

Members

The following members have held office since 16 April 2015:

AAME UK CM, LLC
APOLLO PRINCIPAL HOLDINGS XI, LLC

The following are designated members:

AAME UK CM, LLC
APOLLO PRINCIPAL HOLDINGS XI, LLC

Policy on members' drawings, contributions and repayments of members' capital

The members may be invited to make a capital contribution if it is considered that there are legal, tax or regulatory considerations which would make such course of action necessary, advantageous or prudent having regard to the objectives of the Partnership. There are conditions (as detailed in the Partnership's LLP Agreement), if met, where members are permitted to withdraw all or a proportion of its capital contributions.

Members' responsibilities statement

The members are responsible for the preparation of the Members' Report and the financial statements in accordance with applicable law and regulations. The Limited Liability Partnerships (Accounts & Audit) (Application of Companies Act 2006) Regulations 2008 require the members to prepare financial statements for each financial year. Under that law the members 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"). The financial statements are required by law to give a true and fair view of the state of affairs of the Partnership. In preparing these financial statements, the members 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the firm will continue in business.

The members are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Partnership and enable them to ensure that the financial statements comply with the Companies Act 2006, as applicable to limited liability partnerships. They are also responsible for safeguarding the assets of the Partnership and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Political donations

During the year there were no political donations made by the Partnership.

Statement of disclosure to auditor

So far as the members are aware, there is no relevant audit information of which the Partnership's auditor is unaware. Additionally, the members have taken all the necessary steps that they ought to have taken as members in order to

Members' report

For year ended 31 December 2017

Apollo Asset Management Europe LLP

make themselves aware of all relevant audit information and to establish that the Partnership's auditor is aware of that information.

In accordance with the Partnership agreement, a resolution proposing that Deloitte LLP be appointed as auditor of the Partnership will be put at a General Meeting.

Financial risk management

The Partnership is exposed to financial risk through its financial assets and financial liabilities. In particular the key financial risks relate to exchange rate fluctuations.

Foreign currency risk

Foreign currency risk is the risk of loss resulting from adverse fluctuations in the value of a foreign currency. The functional and presentational currency of the Partnership is United States Dollar. Foreign exchange risk arises on monetary assets and liabilities denominated in foreign currencies which have to be translated at each balance sheet date. The Partnership manages this risk by ensuring, where possible, transactions carried are denominated in USD.

Future Developments

The Partnership is expected to generate profits in the future by providing investment advisory services.

Going concern

The Partnership's approach to financial risk management is set out above. As a consequence, the members believe that the Partnership is well placed to manage its business risks successfully.

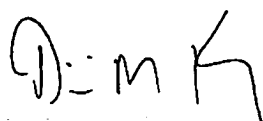
In the event that the Management Committee determines, at any time, that the Partnership requires additional capital to carry on its Business, the Management Committee shall so notify the Members who have the right to make additional capital contributions to the Partnership (as per the Partnership agreement).

The members have a reasonable expectation that the Partnership has adequate resources to continue in operational existence in the foreseeable future. The Partnership has started to generate profits from its investment advisory services provided to European portfolio companies (referenced in 'Future Developments'). The members believe that the performance of the Partnership leaves it in a healthy financial position and accordingly the Partnership continues to adopt the going concern basis in preparing the financial statements.

FRS 102

The Partnership has adopted FRS 102 for the year ended 31 December 2017.

On behalf of the members



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Dominic Fry (on behalf of Designated Member, APOLLO PRINCIPAL HOLDINGS XI, LLC)

10 August 2018

**Independent auditor's report to the members of
Apollo Asset Management Europe LLP**

Report on the audit of the financial statements

Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the limited liability partnership's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 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 as applied to limited liability partnerships.

We have audited the financial statements of Apollo Asset Management Europe LLP (the 'limited liability partnership') which comprise:

- the statement of financial position;
- the statement of comprehensive income;
- the reconciliation of member's interests; and
- the related notes 1 to 9.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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.

We are independent of the limited liability partnership 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 are required by ISAs (UK) to report in respect of the following matters where:

- the members' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the members have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the limited liability partnership'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.

We have nothing to report in respect of these matters.

Responsibilities of members

As explained more fully in the members' responsibilities statement, the members 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 members 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 members are responsible for assessing limited liability partnership'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 members either intend to liquidate the limited liability partnership or to cease operations, or have 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 limited liability partnership's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006 as applied to limited liability partnerships. Our audit work has been undertaken so that we might state to the limited liability partnership'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 limited liability partnership and the limited liability partnership's members as a body, for our audit work, for this report, or for the opinions we have formed.

Matters on which we are required to report by exception

Under the Companies Act 2006 as applied to limited liability partnerships we are required to report in respect of the following matters 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
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.



Allee Bonnard (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
10 August 2018

Apollo Asset Management Europe LLP

Statement of comprehensive income For the year ended 31 December 2017

		2017 \$	2016 \$
	Notes		
Turnover	1.7	1,032,688	-
Administrative expenses		(981,814)	(99,325)
Operating profit	4	<u>50,874</u>	<u>(99,325)</u>
Investment Income		508,042	33,074
Unrealised gain/(loss) on foreign exchange translation		8,456	-
Profit for the period before members' remuneration and profit shares available for discretionary division among members		<u>567,372</u>	<u>(66,251)</u>
Members' remuneration charged as an expense, including employment and retirement benefit costs		-	-
Profit for the financial year available for discretionary division among members		<u><u>567,372</u></u>	<u><u>(66,251)</u></u>

There are no items of other comprehensive income.

All operations are continuing operations.

Notes 1-9 form an integral part of these financial statements.

Apollo Asset Management Europe LLP

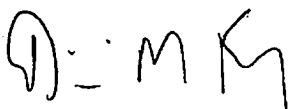
Statement of financial position As at 31 December 2017

		2017		2016	
		\$	\$	\$	\$
	Notes				
Fixed Assets					
Investment in subsidiary	2	1,240,000			1,401
Current Assets					
Cash at bank and in hand		582,279		-	
Due from affiliates	8	1,205,471		34,308	
Accounts receivable		1,053,848		-	
Other Assets		78,286		-	
Creditors: amounts falling due within one year	3,8	(1,358,763)		(100,545)	
Net current assets		<u>1,561,121</u>		<u>(66,237)</u>	
Total assets less current liabilities		2,801,121		(64,836)	
Net assets attributable to members		<u>2,801,121</u>		<u>(64,836)</u>	
REPRESENTED BY:					
Loans and other debts due to members in the year		<u>-</u>		<u>-</u>	
Members' other interests:					
Members' capital classified as equity		<u>2,801,121</u>		<u>(64,836)</u>	
		<u>2,801,121</u>		<u>(64,836)</u>	
TOTAL MEMBERS' INTEREST					
Amounts due from members		-		-	
Loans and other debts due to members		-		-	
Members' other interests		<u>2,801,121</u>		<u>(64,836)</u>	
		<u>2,801,121</u>		<u>(64,836)</u>	

Notes 1-9 form an integral part of these financial statements.

The financial statements of Apollo Asset Management Europe LLP, registered number OC399402 were approved by the Members on.

Signed on behalf of the Members



Dominic Fry (on behalf of Designated Member, APOLLO PRINCIPAL HOLDINGS XI, LLC)

10 August 2018

Apollo Asset Management Europe LLP

Reconciliation of members' interests For year ended 31 December 2017

	Members' capital (classified as equity) \$	Other reserves \$	Total \$
Members' interests at 1 January 2017	1,415	(66,251)	(64,836)
Profit for the year available for discretionary division among members	-	567,372	567,372
Members' remuneration charged as an expense	-	-	-
Other Comprehensive income	-	-	-
Members' interests after profit for the year	1,415	501,121	502,536
Charge on delivery of equity settled shares	-	-	-
Capital introduced	2,298,585	-	2,298,585
Members Drawings	-	-	-
Division of profits	-	-	-
Members' interests at 31 December 2017	2,300,000	501,121	2,801,121
	Members' capital (classified as equity) \$	Other reserves \$	Total \$
Members' interests at 1 January 2016	-	-	-
Loss for the year available for discretionary division among members	-	(66,251)	(66,251)
Members' remuneration charged as an expense	-	-	-
Other Comprehensive income	-	-	-
Members' interests after profit for the year	-	(66,251)	(66,251)
Charge on delivery of equity settled shares	-	-	-
Capital introduced	1,415	-	1,415
Members Drawings	-	-	-
Division of profits	-	-	-
Members' interests at 31 December 2016	1,415	(66,251)	(64,836)

Notes 1-9 form an integral part of these financial statements.

Apollo Asset Management Europe LLP

Notes to the financial statements For year ended 31 December 2017

1. Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention. The principal accounting policies, which have been applied consistently throughout the year, are set out below. The Partnership is itself a subsidiary and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the Partnership as an individual undertaking and not about the group of which it is a part.

The financial statements have been prepared on the going concern basis which assumes that the Partnership will continue in operational existence for the foreseeable future as detailed in the Members' report on page 3.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 – “The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland” (“FRS 102”), Companies Act 2006, as applied by LLP’s and the Limited Liability Partnership Statement of Recommended Practice (issued January 2017), which have been applied consistently.

The Partnership meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. The Partnership is consolidated in the financial statements of its parent, Apollo Global Management, LLC, a Delaware, United States, Limited Liability Corporation, which may be obtained at 9 West 57th Street, 43rd Floor, New York, New York, United States 10019. Exemptions have been taken in these separate Partnership financial statements in relation to presentation of a cash flow statement.

1.3 Foreign currency translation

The functional and presentational currency is United States Dollar, the Partnership meets the definition of a foreign operation of its parent Apollo Global Management, LLC and as such its functional currency is the same. Monetary assets and liabilities denominated in foreign currencies are translated into USD at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the spot rate ruling at the date of the transaction. All differences are taken to profit and loss account.

1.4 Members’ participation rights

Members' participation rights are the rights of a member against the Partnership that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed remuneration and profits).

Members' participation rights in the earnings or assets of the Partnership are analysed between those that are from the Partnership's perspective, either a financial liability or equity, in accordance with IAS32 Financial Instruments: Presentation. In this case, a member's participation right results in a liability.

Amounts subscribed or otherwise contributed by members, for example members' capital, are classified as equity if the Partnership has an unconditional right to refuse payment to members. If the Partnership does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the Partnership does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the Profit and Loss Account in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the Balance Sheet. The Partnership has the right to refuse repayment of capital and therefore capital is treated as equity in the statement of financial position.

1.5 Taxation

Income tax payable on the Partnership's profits is solely the personal liability of the individual members and consequently is not dealt with in these financial statements.

Apollo Asset Management Europe LLP

Notes to the financial statements For year ended 31 December 2017

1. Accounting policies (continued)

1.6 Critical accounting judgements and key sources of estimation uncertainty

Preparation of the financial statements may require management to make significant judgements and estimates. The estimates and associated assumptions may be based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. For the year ended 31 December 2017, there were no significant judgements and estimates and the investment in subsidiary is not impaired.

1.7 Revenue recognition

Revenue is recognised on a quarterly basis as per the advisory agreement with the portfolio company. For the year ended 31 December 2017 \$1,032,688 of revenue was recorded in the Partnership. The revenue is recognised at the fair value of consideration receivable.

1.8 Expenses

Expenses are recognised on the accruals basis for amounts incurred during the year.

1.9 Investment in subsidiary

Investment in subsidiary is measured at cost less impairment.

1.10 Receivables

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in the statement of comprehensive income.

Apollo Asset Management Europe LLP

Notes to the financial statements For year ended 31 December 2017

2. Fixed asset investments

Subsidiary undertakings of \$1,240,000 were paid as at 31 December 2017. The investment is measured at cost less impairment. For 2017, the Partnership has a 100% economic interest and 99% voting rights in Apollo Asset Management Europe PC LLP, a partnership incorporated in England and Wales. The principal activity of Apollo Asset Management Europe PC LLP is to provide investment advisory services to European portfolio companies.

Cost	\$
At 1 January 2017	1,401
Additions	1,238,599
As at 31 December 2017	<u>1,240,000</u>

3. Creditors: amounts falling due within one year

	2017	2016
	\$	\$
Due to affiliate	(1,069,660)	(1,222)
Other creditors	(30,552)	-
Accruals and deferred income	(258,551)	(99,177)
Bank Overdraft	-	(146)
Total creditors	<u>(1,358,763)</u>	<u>(100,545)</u>

4. Operating profit

	2017	2016
	\$	\$
Auditor's remuneration	<u>57,146</u>	<u>99,105</u>

Apollo Asset Management Europe LLP

Notes to the financial statements For year ended 31 December 2017

5. Auditors' remuneration

The analysis of auditor's remuneration is as follows

	2017 \$	2016 \$
Fees payable to the Partnership's auditors for the audit of the annual accounts	43,241	43,205
General taxation and business advisory services	13,906	55,900
Total non-audit fees	13,906	55,900

6. Members' shares of profits

	2017 Number	2016 Number
The average number of members during the year was:	2	2
	2017 \$	2016 \$
The average profit/(loss) per member during the year was:	283,686	(33,126)
	2017 \$	2016 \$
The share of profit/(loss) to the member with the largest entitlement was:	567,372	(65,589)

7. Control

The Partnership's ultimate controlling party is deemed to be Apollo Global Management, LLC, a Delaware, United States, Limited Liability Corporation, with its principal executive offices located at 9 West 57th Street, 43rd Floor, New York, New York, United States 10019. Apollo Global Management, LLC consolidates the results of Apollo Asset Management Europe LLP. The smallest and largest group that consolidates this entity, for which financial statements are publicly available, is Apollo Global Management, LLC.

Apollo Asset Management Europe LLP

Notes to the financial statements For year ended 31 December 2017

8. Related party transactions

As at year ended 31 December 2017, the Partnership is expected to receive \$664,355 from Apollo Asset Management Europe PC LLP in respect of cost recharges. The Partnership is also expected to receive \$508,042 and \$33,074 from Apollo Asset Management Europe PC LLP for allocated of profits from Subsidiary for the year ended 31 December 2017 and 2016 respectively.

The Partnership is also expected to pay \$884,699 to Apollo Management International LLP and \$174,654 to other entities in the Apollo group for cost recharges relating to year ended 31 December 2017.

9. Subsequent Events

The directors have evaluated events up to the filing date of the financial statements and determined that no subsequent events activity required disclosure.