

Registered Number: 10901160

GOOGLE ENGINEERING UK HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FINANCIAL YEAR ENDED 31 DECEMBER 2021



DIRECTORS' REPORT AND FINANCIAL STATEMENTS
For the Year Ended 31 December 2021

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DIRECTORS' REPORT

For the Year Ended 31 December 2021

The directors present their directors' report of Google Engineering UK Holdings Limited ("the Company") for the year ended 31 December 2021.

Directors

The directors who held office during the year and up to the date of this report were:

Svilen Ivanov Karaivanov
Thomas Hutchinson

Company secretary

The company secretary for the year end up to the date of this report is Taylor Wessing Secretaries Ltd.

Results and dividends

The Company's loss for the financial year ended 31 December 2021 is US\$23 thousand (2020: US\$57 thousand loss). The directors do not propose the payment of a dividend for the year (2020: US\$Nil).

Business review

The principal activities of the Company are that of a holding company and the directors do not anticipate any change in the nature of the business for the foreseeable future.

The key financial and other performance indicators during 2021 were as follows:

Administrative expenses incurred during the year amounted to US\$23 thousand (period ended 31 December 2020: US\$57 thousand). This was primarily due to audit & compliance costs incurred by the Company, with additional fees in 2020.

The statement of profit and loss and other comprehensive income and statement of financial position are set out on pages 8 and 9 respectively.

Research and development

The Company has not engaged in any research and development activities during the year.

Future developments

There are no future changes anticipated in the business of the Company at this time.

Foreign branches

The Company at no time during the year had any branches outside the United Kingdom.

Going concern

The directors of the Company have received written assurances from an intermediate parent undertaking, Google LLC, that it will continue to provide adequate financial support to the Company for a period of at least twelve months, from the date of approval of these financial statements to enable the Company to discharge its obligations to all creditors as they fall due. On this basis, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

Events since year end date

No matter or circumstance has occurred subsequent to the end of the reporting period that has significantly affected the operations of the Company, the results of those operations or the state of affairs of the Company.

No dividends were proposed or declared after the reporting date but before the financial statements were authorised for issue.

DIRECTORS' REPORT - continued
For the Year Ended 31 December 2021

Qualifying third party indemnity provisions

A qualifying third party indemnity provision as defined in section 236 of the Companies Act 2006 is in force for the benefit of each of the directors in respect of liabilities incurred as a result of their office, to the extent permitted by law. In respect of those liabilities for which directors may not be indemnified, a directors' and officers' liability insurance policy was maintained by the Alphabet Inc. group throughout the financial year and to the date of approval of the financial statements.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

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 financial 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 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 Company will continue in business.

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

Disclosure of information to auditors

The directors confirm that, so far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing this report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, the directors have taken all the steps that they are obliged to take as a director in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

Reappointment of auditor

In accordance with section 485 of the Companies Act 2006, a resolution is to be proposed at the Annual General Meeting for appointment of Ernst and Young as auditor of the Company.

Small companies exemption

In preparing this report, the directors have taken advantage of the small companies exemptions provided by sections 414B and 415A of the Companies Act 2006.

DIRECTORS' REPORT - continued
For the Year Ended 31 December 2021

By order of the board

Thomas Hutchinson

Thomas Hutchinson

Director

Date: 25 July 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOOGLE ENGINEERING UK HOLDINGS LIMITED

Opinion

We have audited the financial statements of Google Engineering UK Holdings Limited (the 'company') for the year ended 31 December 2021 which comprise the Statement of Profit and Loss and Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

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

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOOGLE ENGINEERING UK HOLDINGS LIMITED (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit
- the directors were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOOGLE ENGINEERING UK HOLDINGS LIMITED (continued)

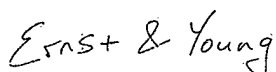
Our approach was as follows:

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006) and the relevant direct and indirect tax compliance regulation in the United Kingdom. In addition, the Company has to comply with laws and regulations relating to its domestic operations, including health and safety, employees, data protection and anti-bribery and corruption.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the Company maintains and communicates its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We also reviewed correspondence with relevant authorities, where applicable.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override in relation to valuation of investment held in other group entity to be a fraud risk. We reviewed net assets position of Company's investment per investee's latest signed annual accounts and noted no indicators of impairment.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved inquiries of management and those charged with governance, review of board minutes and review of management's policies and procedures that have been established to prevent non-compliance with such laws and regulations.

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

Use of our report

This report is made solely to the company's 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.



Brian Lenihan (Senior statutory auditor)
for and on behalf of Ernst & Young, Statutory Auditor
Dublin
28 July 2022

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME
For the Year Ended 31 December 2021

	Notes	2021 US\$'000	2020 US\$'000
Administration expenses		(23)	(57)
Operating loss	5	(23)	(57)
Other income and expenses		—	—
Loss on ordinary activities before taxation		(23)	(57)
Tax on loss on ordinary activities	6	—	—
Loss for the financial year		<u>(23)</u>	<u>(57)</u>
Other comprehensive income for the year:		—	—
Total comprehensive loss for the year		<u>(23)</u>	<u>(57)</u>

Operating loss arose solely from continuing operations.

The notes on pages 11 to 18 form an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION
As at 31 December 2021

Registered Number: 10901160

	Notes	2021 US\$'000	2020 US\$'000
Fixed assets			
Financial assets	7	1,100,165	1,100,165
Total fixed assets		<u>1,100,165</u>	<u>1,100,165</u>
Current assets			
Cash and cash equivalents	8	249	288
Total current assets		<u>249</u>	<u>288</u>
Creditors: amounts falling due within one year	9	(109)	(125)
Net current assets		<u>140</u>	<u>163</u>
Total assets less current liabilities		1,100,305	1,100,328
Net assets		<u>1,100,305</u>	<u>1,100,328</u>
Capital and reserves			
Called up share capital presented as equity	10	1,100,200	1,100,200
Profit and loss account		105	128
Total shareholder's funds		<u>1,100,305</u>	<u>1,100,328</u>

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

Thomas Hutchinson

Thomas Hutchinson

Director

Date: 25 July 2022

The notes on pages 11 to 18 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
For the Year Ended 31 December 2021

	Notes	Called up share capital presented as equity	Profit and loss account	Total equity
		US\$'000	US\$'000	US\$'000
At 1 January 2020		1,100,200	185	1,100,385
Loss for the financial year		—	(57)	(57)
Balance at 31 December 2020		<u>1,100,200</u>	<u>128</u>	<u>1,100,328</u>
At 1 January 2021		1,100,200	128	1,100,328
Loss for the financial year		—	(23)	(23)
Balance at 31 December 2021		<u>1,100,200</u>	<u>105</u>	<u>1,100,305</u>

The notes on pages 11 to 18 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 December 2021

1. General information

Google Engineering UK Holdings Limited ("the Company") is a private company limited by shares domiciled and incorporated in UK. The Company's registered number is 10901160 and registered office and principal place of business is at 5 New Street Square, London, EC4A 3TW, United Kingdom.

The financial statements of the Company for the financial year ended 31 December 2021 were authorised for issue in accordance with a resolution of the directors dated 25 July 2022.

The Company's ultimate holding company is Alphabet Inc., a company incorporated in the United States of America, while its immediate holding company is Google APAC Technology Pte. Ltd, a company incorporated in Singapore. Related companies in these financial statements refer to the group of companies under the Alphabet Inc. group.

The financial statements present the information about the Company as an individual entity and not about the group. The Company is exempt from preparing consolidated financial statements under the conditions laid down in Section 401 of the Companies Act 2006. The Company is included in the consolidated financial statements of Alphabet Inc., which are publicly available. Those accounts have been prepared in a manner equivalent to consolidated accounts drawn up in accordance with the provisions of the Seventh Directive (83/349EEC).

The principal activities of the Company are that of a holding company and the directors do not anticipate any change in the nature of the business for the foreseeable future.

2. Statement of compliance

The financial statements have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' ("FRS 101"), UK Generally Accepted Accounting Practice, and in accordance with the Companies Act 2006.

3. Accounting policies

(a Basis of preparation of financial statements)

The financial statements are prepared on a going concern basis under the historical cost convention.

The directors of the Company have received written assurances from its intermediate parent undertaking, Google LLC, that it will continue to provide adequate financial support to the Company for a period of at least twelve months from the date of approval of these financial statements to enable the Company to discharge its obligations to all creditors as they fall due. On this basis, the directors are satisfied that it is appropriate to prepare the financial statements on a going concern basis.

The financial statements were prepared in United States Dollar ("US\$") and all amounts have been rounded to the nearest thousand, unless otherwise indicated.

(b Financial reporting standard 101 - reduced disclosure exemptions)

FRS 101 sets out a reduced disclosure framework for a 'qualifying entity' as defined in the standard which addresses the financial reporting requirements and disclosure exemptions in the individual financial statements of qualifying entities that otherwise apply the recognition, measurement and disclosure requirements of EU-adopted IFRS. The Company is a qualifying entity for the purposes of FRS 101.

In accordance with the exemptions available under the reduced disclosure Framework of FRS 101, the Company has availed of the following exemptions in accordance with paragraph 8 of FRS 101 in respect of:

- The requirements of paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of:
 - paragraph 79(a)(iv) of IAS 1 (a reconciliation of the number of shares outstanding at the beginning and at the end of the period),

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

- The requirements of paragraphs 10(d), 16, 38A-D, 40A-D, 111 and 134 to 136 of IAS 1 "Presentation of Financial Statements";
- The requirements of IAS 7 "Statement of Cash Flows";
- The requirements of paragraphs 30 to 31 of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" (requirement to disclose information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- The requirements of IAS 24 "Related Party Disclosures" to disclose related party transactions entered into between two or more group members and the requirements of paragraph 17 to disclose key management compensation;
- The requirements of IFRS 7 "Financial Instruments Disclosures";
- The requirements of paragraphs 91 to 99 of IFRS 13 "Fair Value Measurement";
- The requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15, "Revenue from Contracts with Customers";
- The requirements of paragraph 52, 58, 89 (second sentence), 90, 91 and 93 of IFRS 16 "Leases".

The remaining exemptions available under the FRS 101 Framework have not been availed of as they were not applicable to the Company at this time.

The preparation of financial statements in conformity with FRS 101 requires management to exercise judgement in the process of applying the Company's accounting policies and requires the use of accounting estimates and assumptions.

Critical accounting judgements and key sources of estimation uncertainty used that are significant to the financial statements are disclosed in Note 4.

New and amended standards and interpretations effective during 2021

None of the new or amended accounting standards or interpretations had a material impact to the financial statements of the entity.

(c) Foreign currency

(i) Functional and presentation currency

The financial statements of the Company's operations are measured using the currency of the primary economic environment in which the Company operates (the "functional currency"). The financial statements are presented in United States Dollar ("US\$"), which is the Company's functional and presentation currency.

(ii) Transactions and balances

Transactions in currencies other than the Company's functional currency ("foreign currency") are recorded at average month end rates of exchange which approximates the actual rates on the date of the transaction. At each reporting date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences arising on the settlement of monetary items and on translation of monetary items are included in profit or loss for the financial year.

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

(d) Income tax

The tax expense for the year comprises current and deferred tax.

(i) Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authority. The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period.

Current taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(ii) Deferred tax

Deferred tax is recognised in respect of all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements, except where the deferred tax asset or liability arises from the initial recognition of an asset or liability which affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised only to the extent that it is probable that there will be suitable future taxable profits available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets are reviewed at each reporting date and adjusted to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and laws enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in profit or loss, other comprehensive income or directly in equity.

Deferred income tax assets and deferred income tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and deferred income taxes relate to the same taxable entity and the same taxation authority.

(e) Financial fixed assets

Investments in subsidiaries are measured at cost less accumulated impairment losses.

(f) Impairment of non-financial and financial assets measured at cost

The carrying amounts of the non-financial assets and financial assets measured at cost (tangible assets, intangible assets and financial fixed assets) are reviewed at each reporting date to determine whether there is any indication of impairment in value. If any such indication exists, the assets recoverable amount is estimated.

An impairment in value is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment in value is recognised in profit or loss.

The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

The fair value less costs to sell is the amount obtainable from the sale of an asset or cash-generating unit in an arm's length transaction between knowledgeable, willing parties, less costs of disposal.

Value in use is the present value of estimated future cash flows expected to be derived from the continuing use of an asset and from its disposal at the end of its useful life, discounted at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit for which the future cash flow estimates have not been adjusted.

An assessment is made at each reporting date as to whether there is any indication that an impairment in value recognised in prior periods for an asset may no longer exist or may have decreased. If such indication exists, the recoverable amount is estimated.

An impairment in value recognised in prior periods is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment in value was recognised. An impairment in value is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of any amortisation, if no impairment in value had been recognised.

Reversals of impairment in value are recognised in profit or loss. After such a reversal, the amortisation is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

(g) Financial liabilities

Financial liabilities are recognised in the statement of financial position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument.

Financial liabilities are recognised initially at fair value, plus, in the case of financial liabilities other than derivatives, directly attributable transaction costs.

Subsequent to initial recognition, all financial liabilities are measured at amortised cost using the effective interest method, except for derivatives, which are measured at fair value.

A financial liability is derecognised when the obligation under the liability is extinguished. For financial liabilities other than derivatives, gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

The Company's financial liabilities are classified as follows:

- Financial liabilities held at amortised cost

The classification depends on the purpose for which the financial liabilities were acquired. Management determines the classification of its financial liabilities at initial recognition.

(i) Financial liabilities held at amortised cost

Financial liabilities at amortised cost are included in 'Creditors: amounts falling due within one year' in the statement of financial position.

Creditors are classified as current liabilities, unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Trade creditors represent liabilities for goods and services provided to the Company prior to the end of the financial year, which are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. Trade creditors approximate fair value due to their short term nature. The amounts are unsecured and are generally paid within 30 - 90 days of recognition.

(h) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand, demand deposits, and short term, highly liquid investments with maturities of three months or less, that are subject to an insignificant risk of changes in value.

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

The Company participates in an intragroup cash pooling program, which involves the transfer of cash amounts, bank overdrafts and balances with related parties to an intragroup cash pooling entity.

(i) Dividend income

Dividend income is recognised when the Company's right to receive payment has been established.

4. Critical accounting estimates and judgements

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgements involved that have a significant effect on the amounts recognised in the financial statements, or no sources of estimation uncertainty involved that have a significant effect on the amounts recognised in the financial statements.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities and the reported amounts of revenue and expenses within the next financial year are discussed below:

Impairment of financial asset

The Company assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets are impaired. Impairment is assessed by comparing the carrying value of an asset with the net assets of the subsidiary. See note 7 for the carrying amount of the financial asset. The accounting policy for financial fixed assets is outlined above.

5. Operating Loss

	2021 US\$'000	2020 US\$'000
Operating Loss includes the following specific expenses:		
Foreign exchange (gain)/loss	(2)	1
Auditor's remuneration	16	49

Fees paid to auditors in relation to non-audit services amounted to nil.

The Company had no employees during the year(2020: nil).

The directors' remuneration for the year and previous year was borne by another group undertaking.

6. Tax on loss on ordinary activities

	2021 US\$'000	2020 US\$'000
(a) Income tax expense relating to profit or loss		
Current tax:		
Current tax charge	—	—
Deferred tax:		
Origination and reversal of timing differences	—	—
Total income tax expense	<u>—</u>	<u>—</u>

No deferred tax relates to items recognised in other comprehensive income.

During the year, an aggregate income tax amount of US\$— was credited directly to equity (2020: US\$—).

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

(b) Numerical reconciliation of income tax expense to tax payable

	2021 US\$'000	2020 US\$'000
Loss on ordinary activities before tax	(23)	(57)
Tax on loss on ordinary activities at the standard rate of income tax of 19% (2020: 19%)	(4)	(11)
<i>Effects of:</i>		
Amounts not recognised	5	15
Foreign exchange movements	(1)	(4)
Total tax charge for the year	<u>—</u>	<u>—</u>

Changes in tax rate

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate would rise to 25%. This new law was substantively enacted on 24 May 2021. As the proposal to raise the rate to 25% has been substantively enacted at the balance sheet date, its effects are included in these financial statements.

7. Financial assets

	2021 US\$'000	2020 US\$'000
Investments in subsidiary undertakings	1,100,165	1,100,165
	<u>1,100,165</u>	<u>1,100,165</u>

Investments in subsidiaries, joint ventures and associates

	Investments in subsidiary undertaking US\$'000
Cost	
At 1 January 2021	1,100,165
At 31 December 2021	<u>1,100,165</u>
Impairment	
At 1 January 2021	—
Impairment for the year	—
At 31 December 2021	<u>—</u>
Net book value	
At 31 December 2021	<u>1,100,165</u>
At 31 December 2020	<u>1,100,165</u>

List of subsidiary undertakings, unlisted

Details of the Company's investments in subsidiaries are outlined below. The Company holds the ordinary share capital in all such investments.

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

Name	Principal activity	Registered office	Country of incorporation	Proportion held
Google Taiwan Engineering Limited	Research and Development	15F, 168, Tun Hua N. Rd., Taipei City, 10548	Taiwan	100%

8. Cash and cash equivalents

	2021 US\$'000	2020 US\$'000
Cash at bank	249	288
	<u>249</u>	<u>288</u>

Cash and cash equivalents are held with banks and financial institution counterparties which are rated investment grade by external credit rating agencies and are considered to have low credit risk. The maximum maturity of cash and cash equivalents is 3 months.

9. Creditors: amounts falling due within one year

	2021 US\$'000	2020 US\$'000
Amounts owed to other group undertakings	13	58
Accruals	96	67
	<u>109</u>	<u>125</u>

Amounts owed to other group undertakings, are unsecured, non-interest bearing and repayable on demand.

10. Capital and reserves

a) Called up share capital presented as equity

	2021 US\$'000	2020 US\$'000
Authorised		
1,100,200,001 ordinary shares of US\$ 1 each	1,100,200	1,100,200

	2021 US\$'000	2020 US\$'000
Allotted, called up and fully paid		
1,100,200,001 ordinary shares of US\$ 1 each	1,100,200	1,100,200

There were no movements in the Company's share capital during the year (2020: none)

11. Parent and ultimate controlling party

At 31 December 2021, the Company was a wholly owned subsidiary of Google APAC Technology Pte. Ltd, a company incorporated in Singapore.

The ultimate holding company and ultimate controlling party is Alphabet Inc., a company incorporated in the United States of America. The ultimate holding company and controlling party is the smallest and largest group into which these financial statements are consolidated. The consolidated financial statements are available to the public and may be obtained from 1600 Amphitheatre Parkway, Mountain View, CA 94043,

NOTES TO THE FINANCIAL STATEMENTS - continued
For the Year Ended 31 December 2021

United States of America or can be obtained from the investor relations website at <http://investor.google.com/>.

All transactions recorded in the period with related entities are shown in notes 5, 8, 9 and 11. The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries of Alphabet Inc.

12. Contingent liabilities

The Company is of the position that there are no contingent liabilities which require disclosure as at year end (2020: none).

13. Post balance sheet events

No matter or circumstance has occurred subsequent to the end of the reporting period that has significantly affected the operations of the Company, the results of those operations or the state of affairs of the Company.

No dividends were proposed or declared after the reporting date but before the financial statements were authorised for issue.

No other matter or circumstance has occurred subsequent to the end of the reporting period that has significantly affected the operations of the Company, the results of those operations or the state of affairs of the Company.

14. Approval of the financial statements

The board of directors approved these financial statements for issue on 25 July 2022.