Company Number: 06409661

ELQ INVESTORS III LTD

ANNUAL REPORT

31 DECEMBER 2017

rs present their report and the audited financial statements for the year ended 31 December 2017. A c report has not been prepared as ELQ Investors III Ltd (the company) is entitled to the small companies mption under section 414B of the Companies Act 2006.

Introduction

The principal activity of the company is to undertake investment business.

The company's ultimate parent undertaking and controlling entity is The Goldman Sachs Group, Inc. (Group Inc.). Group Inc. is a bank holding company and a financial holding company regulated by the Board of Governors of the Federal Reserve System (Federal Reserve Board). In relation to the company, 'group undertaking' means Group Inc. or any of its subsidiaries. Group Inc., together with its consolidated subsidiaries form 'GS Group'. GS Group is a leading global investment banking, securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and individuals.

The company primarily operates in a U.S. dollar environment. Accordingly, the company's functional currency is the U.S. dollar and these financial statements have been prepared in that currency.

2. Financial overview

The financial statements have been drawn up for the year ended 31 December 2017. Comparative information has been presented for the year ended 31 December 2016.

The results for the year are shown in the profit and loss account on page 7. Profit before taxation for the year was US$ 13.1 million (31 December 2016: loss of US$ 2.1 million). The company has total assets of US$ 437.2 million (31 December 2016: US$ 53.8 million).

During January 2017, the company's wholly owned parent changed from ELQ Holdings (UK) Ltd to Fair Zero S.a.r.l. as part of a group reorganisation. Subsequently, during February and March 2017, the company issued 372,639,845 ordinary shares of US$1 each at par to its parent, Fair Zero S.a.r.l.

3. Future outlook

The directors consider that the year end financial position of the company was satisfactory and do not anticipate any significant changes in its activities in the forthcoming year.

4. Dividends

On 19 January 2017, the board declared an interim dividend of US$ 52,615,206 to its prior parent undertaking ELQ Holdings (UK) Ltd. The directors do not recommend the payment of a final dividend in respect of the year (31 December 2016: US$ nil).

5. Exchange rate

The British pound / U.S. dollar exchange rate at the balance sheet date was £ / US$1.3524 (31 December 2016: 1.2337). The average rate for the year was £ / US$ 1.3020 (year ended 31 December 2016: 1.3439).

6. Financial risk management

The company's financial risk management objectives and policies, as well as its risk exposures, are described in note 22 to the financial statements. The determination by the U.K. to exit the E.U. could affect the manner in which the company conducts its business.

DIRECTORS' REPORT (continued)

7. Disclosure of information to auditors

In the case of each of the persons who are directors of the company at the date when this report was approved:

- so far as each of the directors is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

8. Independent auditors

The auditors, PricewaterhouseCoopers LLP, are deemed to be reappointed under section 487(2) of the Companies Act 2006.

9. Directors

The directors of the company who served throughout the year and to the date of this report, except where noted, were:

Name	Appointed	Resigned
T. Cannell		24 February 2017
M. Holmes		23 June 2017
B. Cabiallavetta		24 February 2017
G. G. Olafson		
N. Somaiya		24 February 2017
J. A. Wiltshire		
V. S. Chima	8 May 2017	
P. Curle	8 May 2017	
W. T. Gasson	8 May 2017	

No director had, at the year end, any interest requiring note herein.

10. 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 which give a true and fair view of the state of affairs of the company at the end of the financial period and of the profit or loss of the company for that period. In preparing those 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 which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

DIRECTORS' REPORT (continued)

11. Date of authorisation of issue

The financial statements were authorised for issue by the Board of Directors on 4 JULY 2018.

ON BEHALF OF THE BOARD

Director

JEREMY WILTSHIRE

Independent auditors' report to the members of ELQ Investors III Ltd

Report on the audit of the financial statements

Opinion

In our opinion, ELQ Investors III Ltd's financial statements:

- give a true and fair view of the state of the company'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 (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: the Balance Sheet as at 31 December 2017; the Profit and Loss account, the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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

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

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.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Reporting on other information (continued)

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2017 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 2, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

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.

Auditors' 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 auditors' 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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

Ian Ross (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
5 July 2018

PROFIT AND LOSS ACCOUNT

for the year ended 31 DECEMBER 2017

	Note	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Net revenues	5	9,110,555	-
Interest receivable and similar income	6	8,830,274	-
Interest payable and similar expenses	7	(4,587,443)	(135,901)
Administrative expenses	8	(257,595)	(1,982,646)
PROFIT/(LOSS) BEFORE TAXATION		**13,095,791**	**(2,118,547)**
Tax on profit/(loss)	11	(769,168)	94,615
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		**12,326,623**	**(2,023,932)**

The profits/(losses) of the company are derived from continuing operations in the current and prior years.

The company has no recognised gains and losses other than those included in the profit and loss account for the years shown above and therefore no separate statement of comprehensive income has been presented.

The accompanying notes are an integral part of these financial statements.

BALANCE SHEET

as at 31 DECEMBER 2017

	Note	31 December 2017 US$	31 December 2016 US$
CURRENT ASSETS			
Investments	13	79,990,562	-
Debtors: Amounts falling due within one year	14	9,974,845	742,806
Debtors: Amounts falling due after more than one year	15	346,836,418	-
Cash at bank and in hand		443,275	53,053,082
		437,245,100	53,795,888
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	16	(5,659,328)	-
NET CURRENT ASSETS		431,585,772	53,795,888
CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR	17	(45,448,032)	-
PROVISIONS FOR LIABILITIES	12	(60,367)	(69,777)
NET ASSETS		386,077,373	53,726,111
CAPITAL AND RESERVES			
Called up share capital	18	372,640,845	32,621,356
Profit and loss account		13,436,528	21,104,755
TOTAL SHAREHOLDER'S FUNDS		386,077,373	53,726,111

The financial statements were approved by the Board of Directors on 4 JULY 2018 and signed on its behalf by:

Director

JEREMY WILTSHIRE

The accompanying notes are an integral part of these financial statements.

Company number: 6409661

STATEMENT OF CHANGES IN EQUITY

for the year ended 31 December 2017

	Note	Called up share capital	Other Reserves	Profit and loss account	Total shareholder's funds
		US$	US$	US$	US$
Balance at 1 January 2016		32,621,356	-	23,128,687	55,750,043
Loss for the financial year		-	-	(2,023,932)	(2,023,932)
Balance at 31 December 2016		**32,621,356**	-	**21,104,755**	**53,726,111**
Profit for the financial year		-	-	12,326,623	12,326,623
Share capital reduction	18	(32,620,356)	32,620,356	-	-
Proceeds from shares issued	18	372,639,845	-	-	372,639,845
Dividend	20	-	(32,620,356)	(19,994,850)	(52,615,206)
Balance at 31 December 2017		**372,640,845**	-	**13,436,528**	**386,077,373**

No dividends were paid in 2016.

The accompanying notes are an integral part of these financial statements.

1. GENERAL INFORMATION

The company is a limited liability company and is incorporated and domiciled in England and Wales. The address of its registered office is Peterborough Court, 133 Fleet Street, London, EC4A 2BB, United Kingdom.

The immediate parent undertaking is Fair Zero S.a.r.l., a company incorporated and domiciled in Luxembourg.

The ultimate parent undertaking and the parent company of the smallest and largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc., a company incorporated in the United States of America. Copies of its consolidated financial statements can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America, or at www.goldmansachs.com/shareholders/.

2. ACCOUNTING POLICIES

a. Basis of preparation

These financial statements have been prepared on the going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS101) and the Companies Act 2006.

The following exemptions from disclosure requirements of International Financial Reporting Standards (IFRS) as adopted by the E.U. have been applied in the preparation of these financial statements in accordance with FRS 101:

(i) IFRS 2 'Share-based Payment' paragraph 45(b) and 46 to 52. These disclosures are provided in the consolidated financial statements of Group Inc.;

(ii) IAS 1 'Presentation of Financial Statements' paragraph 38 to present comparative information in respect of IAS 1 'Presentation of Financial Statements' paragraph 79(a)(iv);

(iii) IAS 1 'Presentation of Financial Statements' paragraphs 10(f), 16 and 40A-D;

(iv) IAS 7 'Statement of Cash Flows';

(v) IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' paragraphs 30 and 31;

(vi) IAS 24 'Related Party Disclosures' paragraph 17; and

(vii) IAS 24 'Related Party Disclosures' requirements to disclose transactions with companies also wholly owned within GS Group.

b. Revenue recognition

Net revenues have been disclosed instead of turnover as this more meaningfully reflects the nature and results of the company's activities. This includes net revenues from equity investments.

Net revenues from equity investments includes dividend income, changes in fair value and gains and losses on sale of investments. Dividends recievable are recognised as income when the right to recieve the payment has been established.

c. Dividends

Final equity dividends are recognised as a liability and deducted from equity in the period in which the dividends are approved by the company's shareholder. Interim equity dividends are recognised and deducted from equity when paid.

2. ACCOUNTING POLICIES (continued)

d. Foreign currencies

The company's financial statements are presented in U.S. dollars, which is also the company's functional currency.

Transactions denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling on the date the transaction occurred. Monetary assets and liabilities, and non-monetary assets and liabilities measured at fair value, denominated in foreign currencies are translated into U.S. dollars at rates of exchange ruling at the balance sheet date. Foreign exchange gains and losses are recognised in profit/(loss) before taxation.

e. Cash at bank and in hand

Cash at bank and in hand is highly liquid overnight deposits held in the ordinary course of business.

f. Financial assets and financial liabilities

(i) Recognition and derecognition

Non-derivative financial instruments owned and financial instruments sold, but not yet purchased (i.e. cash instruments), purchased or sold in regular way transactions, are recognised and derecognised using settlement date accounting.

Other financial assets and financial liabilities are recognised when the company becomes party to the contractual provisions of the instrument.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire or if the company transfers the financial asset and substantially all the risks and rewards of ownership of that financial asset. A financial liability is derecognised only when it is extinguished (i.e. when the obligation specified in the contract is discharged, is cancelled or expires).

(ii) Classification and measurement

Financial assets comprise all of the company's current assets and financial liabilities comprise all of the company's creditors (with the exception of deferred tax liabilities).

The company classifies its financial assets and financial liabilities into the below categories. The classification, which is determined at initial recognition, depends on the purpose for which they were acquired or originated.

- **Financial assets designated at fair value through profit or loss**

  Financial assets designated at fair value through profit or loss comprise equity investments. These investments are designated at fair value as they are managed and their performance is evaluated on a fair value basis. Financial assets designated at fair value through profit or loss are initially recognised at fair value with all transaction costs expensed in profit or loss. They are measured in the balance sheet at fair value and all subsequent gains or losses are recognised in the profit and loss account.

2. ACCOUNTING POLICIES (continued)

f. Financial assets and financial liabilities (continued)

(ii) Classification and measurement (continued)

- **Loans and receivables and financial liabilities measured at amortised cost**

  Loans and receivables and financial liabilities measured at amortised cost are initially recognised at fair value and are subsequently remeasured at amortised cost, with finance income and expense recognised on an accruals basis. All finance income and expense is recognised in the profit and loss account.

(iii) Offsetting financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet where there is:

(i) currently a legally enforceable right to set off the recognised amounts; and

(ii) intent to settle on a net basis or to realise the asset and settle the liability simultaneously.

Where these conditions are not met, financial assets and financial liabilities are presented on a gross basis on the balance sheet.

g. Current and deferred tax

The tax expense comprises current and deferred tax. Tax is recognised in the profit and loss account.

Current tax is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all temporary differences that have originated, but not reversed at the balance sheet date, where transactions or events have occurred by that date that will result in an obligation to pay more tax or a right to pay less tax in the future with the following exceptions:

(i) Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying temporary differences can be deducted.

(ii) Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which temporary differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts recognised in these financial statements. The nature of estimation means that actual outcomes could differ from those estimates. The following estimate has had the most significant effect on amounts recognised in the financial statements.

Fair value measurement

Certain of the company's financial assets include significant unobservable inputs (i.e. level 3). See note 23 for information about the carrying value, valuation techniques and significant inputs of these instruments.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2017

4. SEGMENTAL REPORTING

The directors manage the company's activities as a single business in the same geographical region, and accordingly no segmental analysis has been provided.

5. NET REVENUES

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Net revenues from equity investments	**9,110,555**	-

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Interest on loans to group undertakings (see note 15)	**8,830,274**	-

7. INTEREST PAYABLE AND SIMILAR EXPENSES

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Interest on third party loan	-	73,295
Interest on loans from group undertakings (see note 17)	4,587,140	27,114
Other interest expense	303	35,492
	4,587,443	**135,901**

8. ADMINISTRATIVE EXPENSES

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Foreign exchange losses	256,822	1,982,036
Bank charges	773	761
Other income	-	(151)
	257,595	**1,982,646**

The auditors' remuneration for the current year of £10,000 (US$ 13,020) (31 December 2016: £5,000 (US$ 6,720)) has been borne by a group undertaking.

9. STAFF COSTS

As in the prior year, the company has no employees. All persons involved in the company's operations are employed by group undertakings and no costs are borne by the company.

10. DIRECTORS' EMOLUMENTS

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Aggregate emoluments	5,909	7,920
Company pension contributions to money purchase schemes	43	55
	5,952	7,975

In accordance with the Companies Act 2006, directors' emoluments above represent the proportion of total emoluments paid or payable in respect of qualifying services only. This total only includes the value of cash and benefits in kind, and does not include the value of equity awards in accordance with the provision of schedule 5 of Statutory Instrument 2008/410. Directors also receive emoluments for non-qualifying sevices which are not required to be disclosed. The directors' emoluments were borne by group undertakings in the current and prior periods.

Eight directors were members of a defined contribution pension scheme. All directors have been granted Group Inc. shares in respect of long-term incentive schemes during the year. No directors have exercised options during the year.

NOTES TO THE FINANCIAL STATEMENTS - 31 DECEMBER 2017

11. TAX ON PROFIT/(LOSS)

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Current tax:		
U.K. corporation tax	769,909	(422,449)
Adjustments in respect of prior periods	8,669	339,933
Total current tax	**778,578**	**(82,516)**
Deferred tax:		
Origination and reversal of temporary differences	(9,410)	(9,778)
Effect of reduced U.K. corporate tax rates	-	(2,321)
Total deferred tax	**(9,410)**	**(12,099)**
Total tax on profit/(loss)	**769,168**	**(94,615)**

The table below presents a reconciliation between tax on profit/(loss) and the amount calculated by applying the weighted average rate of U.K. corporation tax applicable to the company for the year of 19.25% (2016: 20%) to the profit/(loss) before taxation.

	Year ended 31 December 2017 US$	Year ended 31 December 2016 US$
Profit/(loss) before taxation	13,095,791	(2,118,547)
Profit/(loss) multiplied by the weighted average rate in the U.K. of 19.25% (2016: 20%)	2,520,940	(423,710)
Permanent differences in relation to equity investments	(1,753,782)	-
Exchange differences and other	(6,659)	(8,517)
Effect of decreased tax rate on opening asset	-	(2,321)
Adjustments in respect of prior periods	8,669	339,933
Total tax charge/(credit) on profit/(loss)	**769,168**	**(94,615)**

12. DEFERRED TAX LIABILITY

	31 December 2017 US$	31 December 2016 US$
Deferred tax liability comprises		
Timing differences in respect of debt investments	**60,367**	**69,777**

	US$
The movements in the deferred tax balance were as follows:	
At 1 January 2016	81,876
Credited to the profit and loss account (see note 11)	(12,099)
At 31 December 2016	69,777
Credited to the profit and loss account (see note 11)	(9,410)
At 31 December 2017	**60,367**

13. CURRENT ASSET INVESTMENTS

	31 December 2017 US$	31 December 2016 US$
Equity investments	**79,990,562**	-

14. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2017 US$	31 December 2016 US$
Amounts due from group undertaking	8,901,863	473
Group relief receivable	1,072,982	742,333
	9,974,845	**742,806**

15. DEBTORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2017 US$	31 December 2016 US$
Long-term loan due from group undertaking	**346,836,418**	-

The long-term loan due from group undertaking represents a USD-denominated facility advanced by the company to Goldman Sachs International, a fellow group undertaking, under the terms of a new loan agreement dated 7 February 2017. The loan is unsecured, carries interest at a variable margin over the U.S. Federal Reserve's federal funds rate and has a final maturity date of 7 February 2027.

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31 December 2017 US$	31 December 2016 US$
Amounts due to group undertakings	4,605,100	-
Group relief payable	1,054,228	-
	5,659,328	-

17. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	31 December 2017 US$	31 December 2016 US$
Long-term loan due to group undertaking	**45,448,032**	-

The long-term loan due to group undertaking represents a RUB-denominated facility advanced by Goldman Sachs International, a fellow group undertaking, under the terms of a new loan agreement dated 7 February 2017. The loan is unsecured, carries interest at a variable margin over the applicable currency's overnight interest rate and has a final maturity date of 7 February 2027.

18. CALLED UP SHARE CAPITAL

At 31 December 2017 and 31 December 2016 share capital comprised:

	31 December 2017		31 December 2016	
	No.	US$	No.	US$
Allotted, called up and fully paid				
Ordinary shares of GBP 1 each	-	-	8,288,555	12,841,908
Ordinary shares of EUR 1 each	-	-	11,362,897	14,759,636
Ordinary shares of SEK 1 each	-	-	22,581,436	3,301,750
Ordinary shares of USD 1 each	372,640,845	372,640,845	1,718,062	1,718,062
		372,640,845		**32,621,356**

Share capital issued is translated at the historic rates prevailing at the date of issuance.

On 19 January 2017, the company cancelled 8,288,555 ordinary shares of GBP 1 each, 11,362,897 ordinary shares of EUR 1 each, 22,581,436 ordinary shares of SEK 1 each and 1,717,062 ordinary shares of USD 1 each, all at par for a total consideration of US$ 32,620,356, to create distributable reserves (see note 19). As a result, the company's share capital reduced from US$ 32,621,356 to US$ 1,000.

On 30 January 2017, the company's ownership changed when its immediate parent undertaking, ELQ Holdings (UK) Ltd, transferred 1,000 ordinary shares of USD 1 each at par to Fair Zero S.a.r.l, a fellow group undertaking, as part of a group reorganisation.

During February and March 2017, the company issued 372,639,845 ordinary shares of USD 1 each at par to its new parent undertaking Fair Zero S.a.r.l. as a result, increasing the company's share capital from US$ 1,000 to US$ 372,640,845.

19. OTHER RESERVES

On 19 January 2017, the company cancelled 8,288,555 ordinary shares of GBP 1 each, 11,362,897 ordinary shares of EUR 1 each, 22,581,436 ordinary shares of SEK 1 each and 1,717,062 ordinary shares of USD 1 each, all at par for a total consideration of US$ 32,620,356, to create distributable reserves. These reserves were fully utilised to pay a dividend of US$ 52,615,206 to the company's prior parent, ELQ Holdings (UK) Ltd, on the same date.

20. DIVIDENDS PAID

	31 December 2017	31 December 2016
	US$	US$
Interim dividend paid (see note 19)	**52,615,206**	**-**

21. FINANCIAL COMMITMENTS AND CONTINGENCIES

The company had no financial commitments and contingencies outstanding at the year end (31 December 2016: US$ nil).

22. FINANCIAL RISK MANAGEMENT AND CAPITAL MANAGEMENT

The company monitors its capital on an ongoing basis. The company's objective is to be prudently capitalised in terms of the amount and composition of its equity base compared to the company's risk exposures. The appropriate level and composition of equity capital is determined by considering multiple factors including the business environment, conditions in the financial markets and assessments of potential future losses due to adverse changes in market environments.

The company is not subject to any externally imposed capital requirements.

The directors consider that the most important components of the company's financial risk are market risk, credit risk and liquidity risk. The company, as part of a global group, adheres to global risk management policies and procedures

a. Market risk

Market risk is the risk of loss in value of investments, as well as certain other financial assets and financial liabilities, due to changes in market conditions. Risks are monitored and controlled through strong firmwide oversight and independent control and support functions across the company's business. Relevant market risks for the company are interest rate risk, currency risk and equity price risk.

Interest rate risk results from exposures to changes in level, slope and curvature of yield curves, volatilities of interest rates and credit spreads.

If interest rates had been 0.5 percent higher/lower and all other variables were held constant, the company's profit before taxation for the year ended 31 December 2017 would have been US$ 21,214 higher/lower. This has been determined by assuming that the company's exposure to interest rate risk at balance sheet date was consistent for the whole year.

Currency risk results from changes in spot prices, forward prices and volatilities of currency rates.

The company's functional currency is the U.S. dollar. At 31 December 2017, the company had no material currency risk and hence no quantitative analysis has been disclosed.

The company manages its interest rate and currency risk as part of the GS Group's risk management policy.

Equity price risk arises from exposures to changes in prices and volatilities of individual investments. The sensitivity analysis below has been determined based on the company's exposure to equity price risk at the balance sheet date. If equity values had been 10 percent higher/lower, profit before taxation for the year ended 31 December 2017 would increase/decrease by US$ 8.0 million as a result of the changes in fair value.

b. Credit risk

Credit risk represents the potential for loss due to the default or deterioration in credit quality of a counterparty. Credit risk is managed by reviewing the credit quality of the counterparties and reviewing, if applicable, the underlying collateral against which the financial assets are secured. The company's maximum exposure to credit risk is equivalent to the carrying value of its financial assets as at 31 December 2017 and 31 December 2016. None of the investments are either past due or impaired.

c. Liquidity risk

Liquidity risk is the risk that the company does not have sufficient cash or collateral to make payments to its counterparties or customers as they fall due. The company manages its liquidity risk in accordance with GS Group's comprehensive and conservative set of liquidity and funding policies to address both company specific and broader industry or market liquidity events.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

a. Financial assets and financial liabilities by category

The table below presents the carrying value of the company's financial assets and financial liabilities by category:

	31 December 2017		
	Designated at fair value	Amortised cost	Total
Financial assets	US$	US$	US$
Investments	79,990,562	-	79,990,562
Debtors: Amount falling due within one year	-	9,974,845	9,974,845
Debtors: Amount falling due after more than one year	-	346,836,418	346,836,418
Cash at bank and in hand	-	443,275	443,275
	79,990,562	**357,254,538**	**437,245,100**

	31 December 2017		
	Designated at fair value	Amortised cost	Total
Financial liabilities	US$	US$	US$
Creditors: Amounts falling due within one year	-	(5,659,328)	(5,659,328)
Creditors: Amounts falling due after more than one year	-	(45,448,032)	(45,448,032)
	-	**(51,107,360)**	**(51,107,360)**

	31 December 2016		
	Designated at fair value	Amortised cost	Total
Financial assets	US$	US$	US$
Debtors: Amount falling due within one year	-	742,806	742,806
Cash at bank and in hand	-	53,053,082	53,053,082
	-	**53,795,888**	**53,795,888**

The company had no financial liabilities at 31 December 2016.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

b. Fair value hierarchy

FRS 101 has a three level fair value hierarchy for disclosure of fair value measurements. The fair value hierarchy prioritises inputs to the valuation techniques used to measure fair value, giving the highest priority to level 1 inputs and lowest priority to level 3 inputs. A financial instrument's level in the fair value hierarchy is based on the lowest level of any input that is significant to its fair value measurement.

The fair value hierarchy is as follows:

- Level 1 - Inputs are unadjusted quoted prices in active markets to which GS Group has access at the measurement date for identical, unrestricted assets or liabilities.
- Level 2 - Inputs to valuation techniques are observable, either directly or indirectly.
- Level 3 - One or more inputs to valuation techniques are significant and unobservable.

Certain level 3 financial assets may require appropriate valuation adjustments that a market participant would require to arrive at fair value for factors such as transfer restrictions, liquidity and bid/offer spreads. Valuation adjustments are generally based on market evidence.

	31 December 2017			
	Level 1	**Level 2**	**Level 3**	**Total**
Financial assets at fair value	**US$**	**US$**	**US$**	**US$**
Equity investments	-	48,639,759	31,350,803	79,990,562
Total financial assets at fair value	**-**	**48,639,759**	**31,350,803**	**79,990,562**

c. Valuation techniques and significant inputs

Equity investments

Valuation techniques and significant inputs for each level of the fair value hierarchy include:

- Level 1 financial instruments are valued using quoted prices for identical unrestricted instruments in active markets. The company defines active markets for financial instruments based on both average daily trading volume and number of days with trading activity.
- Level 2 financial instruments can be verified to quoted prices, recent trading activity for identical or similar instruments, broker or dealer quotations or alternative pricing sources with reasonable levels of price transparency. Consideration is given to the nature of the quotations (e.g. indicative or firm) and the relationship of recent market activity to the prices provided from alternative pricing sources.

  Valuation adjustments are typically made to level 2 financial instruments (i) if the financial instrument is subject to transfer restrictions and/or (ii) for other premiums and liquidity discounts that a market participant would require to arrive at fair value. Valuation adjustments are generally based on market evidence.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

c. Valuation techniques and significant inputs (continued)

- Level 3 financial instruments have one or more significant valuation input that are not observable. Absent evidence to the contrary, level 3 cash instruments are initially valued at transaction price, which is considered to be the best initial estimate of fair value. Subsequently, the company uses other methodologies to determine fair value, which vary based on the type of instrument. Valuation inputs and assumptions are changed when corroborated by substantive observable evidence, including values realised on sales of financial assets.

d. Significant unobservable inputs used in Level 3 fair value measurement

As of 31 December 2017, the company had level 3 financial assets measured at fair value through profit and loss of US$ 31.4 million (31 December 2016: US$ nil). The table below presents the ranges of significant unobservable inputs used to value these level 3 asset cash instruments, as well as the related weighted averages.

Level 3 cash instruments	**Valuation techniques and significant unobservable inputs**	**Significant unobservable inputs (where a range, weighted average)** **As of 31 December 2017**
Equity investments (US$ 31.4 million and US$ nil of level 3 assets as of December 2017 and December 2016, respectively)	Market comparable: • Earnings multiple	4.9x

e. Level 3 rollforward

The table below presents the changes in fair value for all level 3 financial assets. Gains and losses arising on level 3 assets are recognised within trading profit in the profit and loss account.

	Year ended 31 December 2017 US$	**Year ended 31 December 2016 US$**
Level 3 financial assets at fair value		
Balance, beginning of year	-	-
Purchases	22,260,453	-
Gains	9,090,350	-
Balance, end of year	**31,350,803**	-

f. Fair value of financial assets and financial liabilities valued using techniques that incorporate unobservable inputs

The fair value of financial assets and financial liabilities may be determined in whole or part using a valuation technique based on assumptions that are not supported by prices from observable current market transactions in the same instrument or based on available observable market data and changing these assumptions will change the resultant estimate of fair value.

The potential impact of using reasonable possible alternative assumptions for the valuation, including significant unobservable inputs, has been quantified as of 31 December 2017, as approximately US$ 9 million (2016: US$ nil) for favourable changes and US$ nil (2016: US$ nil) for unfavourable changes.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES (continued)

g. Fair value of financial assets and financial liabilities not measured at fair value

The company has US$ 10.0 million (31 December 2016: US$ 53.8 million) of current financial assets and US$ 5.7 million (31 December 2016: US$ nil) of current financial liabilities that are not measured at fair value. Given the short-term nature of these instruments, their carrying amounts in the balance sheet are a reasonable approximation of fair value.

The company has US$ 346.8 million (31 December 2016: US$ nil) of financial assets and US$ 45.4 million (2016: US$ nil) of financial liabilities due after more than one year that are not measured at fair value and relate to long-term intercompany borrowings. The interest rate associated with such borrowings is variable in nature and approximates prevailing market interest rates for instruments with similar terms and characteristics. As such, the carrying amount in the balance sheet is a reasonable approximation of fair value.

h. Maturity of financial liabilities

The table below presents the undiscounted cash flows of the company's financial liabilities by contractual maturity including interest that will accrue. The company had US$ nil financial liabilities in the prior year and therefore no comparative table has been presented.

	31 December 2017				
	Less than 3 months	3 months to 1 year	1-5 years	5+ years	Total
Financial liabilities	**US$**	**US$**	**US$**	**US$**	**US$**
Creditors: amounts falling due within one year	4,605,100	1,054,228	-	-	5,659,328
Creditors: amounts falling due after one year	-	4,953,836	24,769,178	90,032,552	119,755,566
	4,605,100	**6,008,064**	**24,769,178**	**90,032,552**	**125,414,894**