

Registration number: 11443992

Atlantic Investments Holdings Limited
ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020



Atlantic Investments Holdings Limited

Strategic Report for the Year Ended 31 December 2020

The directors present their strategic report for Atlantic Investments Holdings Limited (the "Company") and its subsidiary undertakings (together, the "Group") for the year ended 31 December 2020.

Principal activity

The principal activity of the Company is to act as an investment holding company with an interest in the Bridgepoint group of companies ("Bridgepoint", the "Group" or the "Bridgepoint Group"). Bridgepoint is an international alternative asset management group focused on middle market companies. Its aim is to deliver attractive returns to its investors by investing in well-managed middle market companies and to build stronger, broader-based businesses with greatly enhanced long-term growth potential.

Review of the business

The Group's profit for the 2020 financial year of £42.8m has been transferred to reserves (2019: restated £61.4m). The Company's profit for the year of £12.9m (2019: £169.6m) has been transferred to reserves.

The key performance indicators of the Group include the profit and net assets of the Group and Company.

The Company received dividend income of £15.6m (2019: £177.6m) in the period to 31 December 2020 and paid a dividend of £6.5m (2019: £6.6m).

At 31 December 2020 the Company had net assets of £456.5m (2019: £450.3m). The Group had net assets of £386.4m (2019: restated £357.0m).

The Directors are satisfied with the performance of the Company and its investment in the Bridgepoint Group. They consider the Company to be well placed for the near and medium-term to benefit from a growth in fee income and monetisation of fund investments in the Bridgepoint Group.

Further commentary on the performance of the Group is included within the Annual Report and Financial Statements of Bridgepoint Group Limited.

Principal risks and uncertainties

The main risk factor affecting the Company relates to the performance of the Bridgepoint Group which impacts the level of distributable reserves to shareholders through dividend receipts or through the impairment of the investment in Bridgepoint.

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

The directors of the Company, as those of all UK Companies, must act in accordance with a set of general duties, which are detailed in Section 172 of the UK Companies Act 2006.

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

- the likely consequences of any decision in the long-term
- the interest of the company's employees
- the need to foster the company's relationships with suppliers, customers and others
- the impact of the company's operations on the community and environment
- the desirability of the company maintaining a reputation for high standards of business conduct
- the need to act fairly as between shareholders of the company

Bridgepoint has a Group Board (which consists of the directors of Bridgepoint Advisers Group Limited) which takes executive responsibility for the strategic direction of Bridgepoint. It has executive responsibility for setting the Group's strategy and ensuring that the shared values and business objectives are upheld and met. Its responsibilities include the oversight of the financial performance of the Company.

The directors are committed to openly engaging with the Company's shareholders. Updates are provided to shareholders, which detail the financial performance and future prospects, on a regular basis.

The key decisions taken by the directors of the Company during the period ended 31 December 2020 include those relating to the investment into the Bridgepoint Group and those relating to dividends to shareholders. The result of these decisions were subject to clear and timely shareholder communications.

As the Company's activities are limited to that of a holding company no further detail is provided on how the directors fulfil their duties in respect of the Group's employees, suppliers and broader community impact. The Annual Report and Consolidated Financial Statements of Bridgepoint Group Limited sets out details of how the Bridgepoint Group undertakes business conduct, employee and fund investor engagement, risk management and community engagement.

Atlantic Investments Holdings Limited

Directors' Report for the Year Ended 31 December 2020

The directors present their annual report together with the audited consolidated financial statements of the Company and its subsidiary undertakings (together, the "Group") for the year ended 31 December 2020.

Results and dividends

The Group's profit for the year of £42.8m (2019: restated £61.4m) has been transferred to reserves. The Company's profit for the year of £12.9m (2019: £169.6m) has been transferred to reserves.

The Company paid a dividend of £6.5m (2019: £6.6m) during the year. At 31 December 2020, the Group had net assets of £386.4m (2019: restated £357.0m).

Financial risk management

The Group's operations expose it to a variety of financial risks that include the effects of market, credit, liquidity and interest rate risk. The Group has in place certain means to limit the potential adverse effect on financial performance as disclosed in note 27.

Directors

The directors who held office during the year were as follows:

C S J Barter

P R Gunner

J R Hughes

W N Jackson

A M Jones

Director's indemnity

Bridgepoint Advisers Limited, a subsidiary company, maintains liability insurance for directors and officers of the Bridgepoint Group and associated companies, which includes the Company. This is a qualifying third party indemnity provision for the purpose of the Companies Act 2006.

Statement of directors' responsibilities for the Annual Report and the financial statements

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). 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 Group and the Company and of the profit or loss of the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether United Kingdom Accounting Standards, comprising FRS 102, 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 Group and 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 Group and 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of engagement with suppliers, customers and others in a business relationship with the company

As the Company's activities are those of a holding company, it has a limited number of business relationships. Details on the Company's interactions with its shareholders are included within the Strategic Report. The Annual Report and Consolidated Financial Statements of Bridgepoint Group Limited sets out details of how the Bridgepoint Group interacts with a broader stakeholder group, including business conduct, employee, fund investor and community engagement.

Streamlined Energy and Carbon Reporting Statement

In compliance with the Streamlined Energy and Carbon Reporting ("SECR") requirements, implemented for large unquoted companies by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report Regulations) 2018, as stipulated by the Companies Act 2006, the Group has calculated total energy consumption, associated underlying greenhouse gas ("GHG") emissions, intensity ratios and information relating to energy efficiency action, for its UK group operations, for the year to 31 December 2020.

The method used for calculating GHG emissions is in line with the GHG Protocol Corporate Accounting and Reporting Standard. The organisational reporting boundary is based on operational control. The Group has included all UK group sites and activities which fall within its operational control boundary and has excluded any energy usage and associated emissions consumed by other companies which operate from the same premises. Scope 2 emissions are calculated using the location based approach.

Atlantic Investments Holdings Limited

Directors' Report for the Year Ended 31 December 2020

The Group assessed all fuel and electricity consumption activities occurring across its UK sites that contribute to overall energy use. It was determined that the following sources of emissions would be recorded, in line with SECR guidelines:

- Electricity (scope 2). Sub-metered consumption data was provided by property management agents, with gaps filled using estimates arrived at through extrapolation of verifiable data.
- Natural gas (scope 1). Whole building consumption data was provided by property management agents, with gaps filled using estimates arrived at through extrapolation of verifiable data. The Group's consumption was estimated based on occupied floor space.
- Petrol (scope 1). From mobile combustion in vehicles. 2019 mileage claims were used as a more representative figure due to the COVID-19 pandemic disruption to business travel through 2020.

The Group's scope 1 & 2 GHG emissions associated with its UK operations for 2020 are outlined in the table below.

Headcount (being full time equivalents) was used as the denominator to calculate the associated GHG emission intensity. All emission calculations have been undertaken in accordance with the GHG Protocol Corporate Accounting and Reporting Standard. Energy consumption figures were converted into tonnes of carbon dioxide equivalent (tCO₂e) and kWh where necessary, using the 2020 UK Government GHG Conversion Factors for Company Reporting. Scope 2 electricity emissions have been reported as location-based.

	Energy consumption (kWh)	GHG emissions (tCO ₂ e)
Natural Gas (scope 1)	263,890	53
Petrol (scope 1)	16,737	4
Total Scope 1 (direct)	280,627	57
Total Scope 2 (indirect): Electricity (location-based)	242,796	57
Total	523,423	114


The emissions intensity of the Group's UK operations as reported under SECR for 2020 is 0.35 tCO₂e / FTE.

Whilst energy efficiency measures have been undertaken during 2020, the Group aims to become carbon neutral in 2021 with a focus on procuring 100% renewable energy in the UK.

Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Approved by the Board on 25 June 2021 and signed on its behalf by:



P R Gunner
Director

Atlantic Investments Holdings Limited

Independent Auditors' Report to the members of Atlantic Investments Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Atlantic Investments Holdings Limited's Group financial statements and Company financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2020 and of the Group's and Company's profit and the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 and Consolidated Financial Statements (the "Annual Report"), which comprise: the Consolidated and Company Balance Sheets as at 31 December 2020; the Consolidated Profit and Loss Account; the Consolidated Statement of Comprehensive Income; the Consolidated Cash Flow Statement; and the Consolidated Statement of Changes in Equity for the year then ended; the Company's Profit and Loss Account and the Company's 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 Group 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

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 Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the Group's and the Company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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.

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic Report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 31 December 2020 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 Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic Report and 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 for the Annual Report and the financial statements, 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.

Atlantic Investments Holdings Limited

Independent Auditors' Report to the members of Atlantic Investments Holdings Limited

In preparing the financial statements, the directors are responsible for assessing the Group's and 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 Group or 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to breaches of UK regulatory principles, such as those governed by the Financial Conduct Authority (FCA) in respect of the Group, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that might have a direct impact on the financial statements such as Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to either inflate revenue or reduce expenditure of the Group, and management bias in accounting estimates and judgemental areas of the financial statements, such as the carrying value of investments, carried interest and intangible assets. Audit procedures performed by the engagement team included:

- Discussions with the Board, management involved in the risk and compliance functions and the Group and Company's legal function, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Reviewing correspondence between the Group and FCA in relation to compliance with laws and regulations;
- Reviewing relevant meeting minutes;
- Challenging assumptions made by management in accounting estimates and judgements, in particular in relation to the carrying value of intangible assets, investments and carried interest;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Designing audit procedures to incorporate unpredictability around the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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 obtained 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 Company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.



Richard McGuire (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
28 June 2021

Atlantic Investments Holdings Limited

Consolidated Profit and Loss Account for the Year Ended 31 December 2020

	Note	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000
Turnover		148,668	147,885	123,958
Administrative expenses	4, 5	(132,195)	(122,577)	(138,680)
Foreign exchange gain/(loss)	4	<u>8,645</u>	<u>(11,746)</u>	<u>(1,737)</u>
Operating profit/(loss)		25,118	13,562	(16,459)
Profits on investments		20,689	50,932	22,044
Amortisation of goodwill and intangibles	10, 11	<u>(2,699)</u>	<u>-</u>	<u>-</u>
Profit before interest and taxation		43,108	64,494	5,585
Interest receivable and similar income	7	4,483	7,387	5,225
Interest payable and similar expenses	7	<u>(4,301)</u>	<u>(3,522)</u>	<u>(3,250)</u>
Profit before tax		43,290	68,359	7,560
Tax on profit	8	<u>(466)</u>	<u>(6,951)</u>	<u>(10,493)</u>
Profit/(loss) for the financial year		<u>42,824</u>	<u>61,408</u>	<u>(2,933)</u>
Profit/(loss) attributable to:				
Equity shareholders of the Company		32,709	44,053	(9,326)
Non-controlling interest		<u>10,115</u>	<u>17,355</u>	<u>6,393</u>
Profit/(loss) for the financial year		<u>42,824</u>	<u>61,408</u>	<u>(2,933)</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Consolidated Statement of Comprehensive Income for the Year Ended 31 December 2020

	Note	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000
Profit/(loss) for the financial year		42,824	61,408	(2,933)
Exchange adjustments on overseas subsidiary translations		2,936	(3,270)	354
Change in value of hedging instrument	19	(4,859)	4,022	(225)
Reclassifications of hedging instruments to profit and loss on settlement	19	(1,379)	3,713	3,001
Total tax on components of other comprehensive income/(expense)		<u>915</u>	<u>(1,417)</u>	<u>(527)</u>
Total comprehensive income/(expense) for the year		<u>40,437</u>	<u>64,456</u>	<u>(330)</u>
Total comprehensive income/(expense) attributable to:				
Equity shareholders of the Company		30,846	46,997	(7,301)
Non-controlling interest		<u>9,591</u>	<u>17,459</u>	<u>6,971</u>
		<u>40,437</u>	<u>64,456</u>	<u>(330)</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Consolidated Balance Sheet as at 31 December 2020

	Note	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000
Fixed assets				
Tangible assets	9	8,984	7,626	5,780
Goodwill	10	110,317	-	-
Intangible assets	11	20,655	-	-
Carried interest receivable	13	18,180	16,560	2,232
Investments in funds	14	<u>233,468</u>	<u>206,077</u>	<u>211,859</u>
		<u>391,604</u>	<u>230,263</u>	<u>219,871</u>
Current assets				
Fair value of CLO assets*	15	272,476	-	-
Debtors	18	176,185	218,067	207,680
Derivative financial asset	19	-	2,016	-
Cash at bank and in hand		42,366	12,083	37,075
CLO cash*		<u>114,750</u>	<u>-</u>	<u>-</u>
		<u>605,777</u>	<u>232,166</u>	<u>244,755</u>
Current liabilities				
Creditors: amounts falling due within one year	20	(86,167)	(44,355)	(68,047)
Loans and borrowings	21	(99,708)	(23,036)	-
CLO purchases awaiting settlement*	22	(93,237)	-	-
CLO liabilities*	22	(17,889)	-	-
Derivative financial liability	19	<u>(4,230)</u>	<u>-</u>	<u>(5,719)</u>
		<u>(301,231)</u>	<u>(67,391)</u>	<u>(73,766)</u>
Net current assets		<u>304,546</u>	<u>164,775</u>	<u>170,989</u>
Total assets less current liabilities		<u>696,150</u>	<u>395,038</u>	<u>390,860</u>
Non-current liabilities				
Creditors: Amounts falling due after more than one year	24	(32,151)	(512)	(481)
Loans and borrowings	21	-	(19,225)	(77,314)
CLO liabilities*	22	(256,608)	-	-
Other financial liabilities	25	(3,821)	(2,840)	(2,097)
Provisions for liabilities	23	<u>(17,177)</u>	<u>(15,457)</u>	<u>(9,544)</u>
	21	<u>(309,757)</u>	<u>(38,034)</u>	<u>(89,436)</u>
Net assets		<u>386,393</u>	<u>357,004</u>	<u>301,424</u>
Capital and reserves				
Called-up share capital	28	240,871	240,871	240,866
Share premium account		547	547	-
Capital redemption reserve	29	24,619	24,619	24,619
Cash flow hedge reserve		(2,249)	2,610	(3,408)
Retained earnings/(Accumulated losses)		<u>41,808</u>	<u>(2,649)</u>	<u>(37,044)</u>
Total shareholders' funds		<u>305,596</u>	<u>265,998</u>	<u>225,033</u>
Non-controlling interest	31	<u>80,797</u>	<u>91,006</u>	<u>76,391</u>
Capital employed		<u>386,393</u>	<u>357,004</u>	<u>301,424</u>

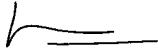
The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Consolidated Balance Sheet as at 31 December 2020

*Detail of the Group's interest in consolidated Collateralised Loan Obligations ("CLOs") are included in note 15. The equity holders' exposure in the CLOs is £19.5m at 31 December 2020.

The financial statements on pages 6 to 49 were approved and authorised by the Board of Directors on 25 June 2021 and signed on its behalf by:



P R Gunner
Director

Atlantic Investments Holdings Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2020

	Note	Called up share capital £ 000	Share premium account £ 000	Capital redemption reserve £ 000	Cash flow hedge reserve £ 000	Accumulated losses £ 000	Total shareholders' funds £ 000	Non- controlling interests £ 000	Total equity £ 000
At 1 January 2018 (previously reported)		30	3,646	25	(7,157)	147,110	143,654	4,895	148,549
Restatements	3(b)	-	-	-	-	(1,335)	(1,335)	(735)	(2,070)
At 1 January 2018 (restated)		30	3,646	25	(7,157)	145,775	142,319	4,160	146,479
(Loss) for the financial year		-	-	-	-	(9,326)	(9,326)	6,393	(2,933)
Foreign exchange hedges		-	-	-	2,160	(410)	1,750	499	2,249
Revaluation of overseas subsidiary undertakings		-	-	-	-	275	275	79	354
Group reconstruction		240,836	(3,646)	(25)	-	(127,530)	109,635	-	109,635
B1 share redemption		-	-	24,619	-	(24,619)	-	-	-
B2 share cancellation		-	-	-	-	45,642	45,642	-	45,642
Movement in NCI		-	-	-	1,589	(66,851)	(65,262)	65,260	(2)
At 31 December 2018 (restated)		<u>240,866</u>	<u>-</u>	<u>24,619</u>	<u>(3,408)</u>	<u>(37,044)</u>	<u>225,033</u>	<u>76,391</u>	<u>301,424</u>
		Called up share capital £ 000	Share premium account £ 000	Capital redemption reserve £ 000	Cash flow hedge reserve £ 000	Accumulated losses £ 000	Total shareholders' funds £ 000	Non- controlling interests £ 000	Total equity £ 000
At 1 January 2019 (restated)		240,866	-	24,619	(3,408)	(37,044)	225,033	76,391	301,424
Profit for the financial year		-	-	-	-	44,053	44,053	17,355	61,408
Foreign exchange hedges		-	-	-	6,018	(1,102)	4,916	1,402	6,318
Revaluation of overseas subsidiary undertakings		-	-	-	-	(1,972)	(1,972)	(1,298)	(3,270)
Issue of shares	5	547	-	-	-	-	552	-	552
Dividends paid		-	-	-	-	(6,584)	(6,584)	(2,844)	(9,428)
At 31 December 2019 (restated)		<u>240,871</u>	<u>547</u>	<u>24,619</u>	<u>2,610</u>	<u>(2,649)</u>	<u>265,998</u>	<u>91,006</u>	<u>357,004</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Consolidated Statement of Changes in Equity for the Year Ended 31 December 2020

	Called up share capital £ 000	Share premium account £ 000	Capital redemption reserve £ 000	Cash flow hedge reserve £ 000	Retained earnings £ 000	Total shareholders' funds £ 000	Non- controlling interests £ 000	Total equity £ 000
At 1 January 2020	240,871	547	24,619	2,610	(2,649)	265,998	91,006	357,004
Profit for the financial year	-	-	-	-	32,709	32,709	10,115	42,824
Foreign exchange hedges	-	-	-	(4,859)	712	(4,147)	(1,176)	(5,323)
Revaluation of overseas subsidiary undertakings	-	-	-	-	2,284	2,284	652	2,936
Own shares acquired	-	-	-	-	(82)	(82)	-	(82)
Dividends paid	-	-	-	-	(6,522)	(6,522)	(4,444)	(10,966)
Movement in non-controlling interest	-	-	-	-	15,356	15,356	(15,356)	-
At 31 December 2020	<u>240,871</u>	<u>547</u>	<u>24,619</u>	<u>(2,249)</u>	<u>41,808</u>	<u>305,596</u>	<u>80,797</u>	<u>386,393</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Consolidated Cash Flow Statement for the Year Ended 31 December 2020

	Note	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000
Cash flows from operating activities	33	24,642	(5,255)	25,424
Tax paid		<u>(4,032)</u>	<u>(2,272)</u>	<u>(903)</u>
Net cash flow from operating activities		<u>20,610</u>	<u>(7,527)</u>	<u>24,521</u>
Cash flows from investing activities				
Purchase of tangible assets		(3,235)	(3,684)	(3,234)
Proceeds on disposal of investments (non-CLO)		57,413	207,189	70,090
Purchase of investments (non-CLO)		(75,649)	(176,059)	(107,983)
Acquisition of subsidiary		(104,366)	-	-
Cash acquired on acquisition of subsidiary	12	18,040	-	-
Purchases of CLO investments (CLO)		(6,165)	-	-
Returns from CLO investments (CLO)		2,148	-	-
Cash acquired on acquisition of CLO (CLO)		<u>1,919</u>	<u>-</u>	<u>-</u>
Net cash flows from investing activities		<u>(109,895)</u>	<u>27,446</u>	<u>(41,127)</u>
Cash flows from financing activities				
Interest received		52	3,009	4,128
Interest paid		(3,055)	(2,778)	(1,886)
B Share redemption/cancellation		-	-	(161,530)
Dividends paid to shareholders of the Company	32	(6,522)	(6,584)	-
Dividends paid to non-controlling interests		(4,444)	(2,844)	-
Receipt from non-controlling interest		71,400	-	142,283
Increase in drawdown facility		130,302	116,087	80,085
Repayment of drawdown facility		(73,492)	(148,573)	(29,765)
Increase in CLO borrowings (CLO)		6,165	-	-
Repayment of CLO borrowings (CLO)		(124,147)	-	-
Cash from CLO investors (CLO)		235,124	-	-
Issue of shares		<u>-</u>	<u>552</u>	<u>-</u>
Net cash flows from financing activities		<u>231,383</u>	<u>(41,131)</u>	<u>33,315</u>
Net increase/(decrease) in cash and cash equivalents		142,098	(21,212)	16,709
Cash and cash equivalents at 1 January		12,083	37,075	19,065
Effect of exchange rate fluctuations on cash and cash equivalents and borrowings		<u>2,935</u>	<u>(3,780)</u>	<u>1,301</u>
Cash and cash equivalents at 31 December		<u>157,116</u>	<u>12,083</u>	<u>37,075</u>
Reconciliation to cash at bank and in hand				
Cash at bank and in hand		42,366	12,083	37,075
CLO cash (restricted)		<u>114,750</u>	<u>-</u>	<u>-</u>
Cash and cash equivalents		<u>157,116</u>	<u>12,083</u>	<u>37,075</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Company Profit and Loss Account for the Year Ended 31 December 2020

		2020	2 July 2018 to
	Note	£ 000	31 December
			2019
			£ 000
Dividend income		15,556	177,580
Administrative expenses	5	(2,717)	(8,024)
Foreign exchange (loss)/gain		<u>(2)</u>	<u>98</u>
Operating profit		12,837	169,654
Profit before interest and taxation		12,837	169,654
Interest receivable and similar income	7	<u>8</u>	<u>2</u>
Profit before tax		12,845	169,656
Tax on profit	8	<u>7</u>	<u>(16)</u>
Profit for the financial period		<u>12,852</u>	<u>169,640</u>
Profit attributable to:			
Equity shareholders of the Company		<u>12,852</u>	<u>169,640</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Company Balance Sheet as at 31 December 2020

	Note	2020 £ 000	2019 £ 000
Fixed assets			
Investments	16	448,012	448,012
Current assets			
Debtors	18	23	13
Cash at bank and in hand		<u>9,435</u>	<u>2,963</u>
		9,458	2,976
Creditors: Amounts falling due within one year	20	<u>(924)</u>	<u>(690)</u>
Net current assets		<u>8,534</u>	<u>2,286</u>
Total assets less current liabilities		<u>456,546</u>	<u>450,298</u>
Net assets		<u>456,546</u>	<u>450,298</u>
Capital and reserves			
Called up share capital	28	240,871	240,871
Share premium account		547	547
Capital redemption reserve	12	24,619	24,619
Retained earnings		<u>190,509</u>	<u>184,261</u>
Total equity		<u>456,546</u>	<u>450,298</u>

The financial statements on pages 6 to 49 were approved and authorised by the Board of Directors on 25 June 2021 and signed on its behalf by:



P R Gunner
Director

Atlantic Investments Holdings Limited

Company Statement of Changes in Equity for the Year 31 December 2020

	Share capital £ 000	Share premium account £ 000	Capital Redemption Reserve £ 000	Retained earnings £ 000	Total Shareholders' Funds £ 000
On incorporation - 2 July 2018	-	-	-	-	-
Profit for the financial period	-	-	-	169,640	169,640
Issue of shares	240,871	547	-	-	241,418
B1 share redemption	-	-	24,619	(24,619)	-
B2 share cancellation	-	-	-	45,642	45,642
ESOT coupling	-	-	-	182	182
Dividends paid	-	-	-	(6,584)	(6,584)
At 31 December 2019	<u>240,871</u>	<u>547</u>	<u>24,619</u>	<u>184,261</u>	<u>450,298</u>
	Share capital £ 000	Share premium account £ 000	Capital Redemption Reserve £ 000	Retained earnings £ 000	Total Shareholders' Funds £ 000
At 1 January 2020	240,871	547	24,619	184,261	450,298
Profit for the financial year	-	-	-	12,852	12,852
Own shares acquired	-	-	-	(82)	(82)
Dividends paid	-	-	-	(6,522)	(6,522)
At 31 December 2020	<u>240,871</u>	<u>547</u>	<u>24,619</u>	<u>190,509</u>	<u>456,546</u>

The notes on pages 16 to 49 form an integral part of these financial statements.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

1 General information

The Company is a private company limited by share capital, incorporated in United Kingdom. The address of its registered office is: 95 Wigmore Street, London, England, W1U 1FB.

The principal activity of the Group is to act as a private equity and credit fund manager.

2 Statement of compliance

The individual and group financial statements of the Company and Group have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

These financial statements have been prepared on a going concern basis, under the historical cost convention, as modified by certain financial assets and liabilities measured at fair value through profit or loss.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies.

Within the financial statements the areas of significant judgement and critical estimate are considered to be:

- Consolidation of funds, CLOs and Carried Interest Partnerships (see note 3(d))
- Fair value of investments (see note 3(o))
- Recognition and measurement of the carried interest receivable (see note 3(m))
- The measurement of the deferred contingent consideration (see note 3(n), 12 and 24)
- The measurement of the intangible assets (see note 3(l) and 12)
- The useful life of goodwill and intangible assets (see note 3(l), 3(n) and 12)

(b) Restatement

The 2018 and 2019 years have been restated to include a holiday pay accrual and to reclassify the amount due to a third party in respect of the Group's investment in Opal Investments LP as a financial liability rather than as non-controlling interests.

- Impact on creditors: An increase of £1.6m at 1 January 2018, £1.6m at 31 December 2018 and £1.7m at 31 December 2019
- Impact on deferred tax is: An decrease of £0.3m at 1 January 2018, £0.3m at 31 December 2018 and £0.3m at 31 December 2019
- Impact on financial liabilities is: An increase of £0.7m at 1 January 2018, £2.0m at 31 December 2018 and £2.8m at 31 December 2019
- Impact on net assets: A decrease of £2.1m at 1 January 2018, £3.4m at 31 December 2018 and £4.3m at 31 December 2019
- Impact on total shareholders' funds: A decrease of £1.3m at 1 January 2018, £1.3m at 31 December 2018 and £1.4m at 31 December 2019
- Impact on non-controlling interest: A decrease of £0.7m at 1 January 2018, £2.1m at 31 December 2018 and £2.9m at 31 December 2019
- Impact on profit before tax: Decrease of £1.4m and decrease of £0.9m in the year ended 31 December 2018 and 2019 respectively
- Impact on tax on profit: Unchanged in the year ended 31 December 2018 and 2019 respectively
- Impact on profit/(loss) attributable to shareholders of the Company: Increase of £0.3m and decrease of £0.1m in the year ended 31 December 2018 and 2019 respectively
- Impact on profit/(loss) attributable to non-controlling interests: Decrease of £1.7m and £0.8m in the year ended 31 December 2018 and 2019 respectively
- The cash flow statement and related notes has also been restated to reflect the changes noted above and also to split out the gross movement in the drawdown facility. The drawdown facility in financing activities has now been disclosed gross for earlier years and foreign exchange impact of £2.5m and £0.8m for 31 December 2019 and 31 December 2018 respectively has been disclosed under effect of exchange rate fluctuations on cash and cash equivalents and borrowings.

Additionally, the additions and distributions received disclosure within note 14 for investments in funds have been adjusted with net nil impact on the balance as at 31 December 2018.

An opening balance sheet for 1 January 2018 has been included as note 38.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

(c) Going concern

The financial statements have been prepared on a going concern basis as the directors have a reasonable expectation that the Company and Group has adequate resources to continue its operational existence for the foreseeable future having assessed the business risks, financial position and resource of both the Company and Group.

Specifically, the majority of the Group's revenue is from long term fund management contracts and it has a largely predictable cost base made up of principally personnel costs, giving it good visibility of income, expenditure and future profitability.

In making their assessment the directors have considered scenarios including a delay in fundraising and later and lower returns from investments, which would impact the income and cash flow of the Group. The directors are satisfied that even under these stressed scenarios that the Company and Group would remain a going concern.

(d) Basis of consolidation

The Group financial statements consolidate the financial statements of the Company and all its subsidiary undertakings drawn up to 31 December, which includes the elimination of all intra-Group transactions. Uniform accounting policies have been adopted across the Group.

Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. Where the group owns less than 50% of the voting powers of an entity but controls the entity by virtue of an agreement with other investors which give it control of the financial and operating policies of the entity, it accounts for that entity as a subsidiary.

Bridgepoint funds

Whilst the Group holds participating interests in the Bridgepoint funds, it does not consolidate these entities on the basis that whilst the Group has the ability to control the financial and operating policies of the entity it typically has its interests represent a small relative proportion of each fund and therefore the Group acts as an agent which is primarily engaged to act on behalf and for the benefit of another party, rather than act for its own benefit. Returns from the Group's investments in the Bridgepoint funds are accordingly accounted for at fair value through Profit and Loss Account.

Collateralised loan obligations

The Group holds investments in the subordinated notes of Collateralised Loan Obligation ("CLO") fund vehicles it manages, predominately driven by EU risk retention risk requirements. Such fund vehicles are consolidated by the Group.

A CLO is a pooled investment vehicle which invests in a diversified group of loan assets. Prior to the launch of a CLO a bank will provide a borrowing facility alongside financing by the Group, once the portfolio has been constructed, external funding is obtained via the issue of notes by the CLO. The servicing and repayment of these notes is linked directly to the performance of the underlying assets.

The subordinated notes are the tranche that is most exposed to the risk of portfolio assets failing to pay as they are the first to absorb any losses. As the Group holds a majority holding in the subordinated notes in Bridgepoint CLO I DAC ("CLO I") and the warehoused vehicle for Bridgepoint CLO II DAC ("CLO II"), it is considered to have both the ability, as the asset manager to impact the returns of the vehicles, and exposure to variable returns from its involvement as an investor, it is required to consolidate.

The assets and liabilities of the CLO are held within separate legal entities and, as a result, the liabilities of the CLO are non-recourse to the Group. The consolidation of the CLOs has a significant gross-up on the Group's assets, liabilities and cash flows, but has no net effect on the profit and loss or net assets.

Opal Investments LP

The Group has an investment in Opal Investments LP, which is an investor in the Bridgepoint Europe V Fund partnerships. Under the limited partnership agreement a related party had the right to receive up to 100% of the profits from the partnership unless the Group exercised an option to trigger up to 85% of the profits of the partnership, from the date of the exercise of the option. Effective 31 December 2020, the option was exercised therefore 85% of current year and accumulated prior year profits from the partnership have been attributed to the equity shareholders of the Company. 15% of the residual profits are classified as a financial liability to a related party. Given the Group has always had the power over the variable returns through the option, Opal Investments LP is consolidated into the Group.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

(d) Basis of consolidation (continued)

Carried interest partnerships

As a fund manager to its Private Equity and Credit funds, the Group participates in Carried Interest Partnerships ("CIPs"), the participants of which are the Group, certain of the Group's employees and others connected to the underlying fund. These vehicles have two purposes: 1) to facilitate payments of carried interest from the fund to carried interest participants, and 2) to facilitate individual co-investment into the funds.

The directors have undertaken a control assessment of each CIP and have considered whether the CIP participants were providing a service for the benefit of the Group.

This is because the purpose and design of the CIPs and the carry rights in the fund are determined at the outset by the fund's Limited Partnership Agreement ("LPA") which requires investor agreement and reflects investor expectations to incentivise individuals to enhance performance of the underlying fund. The Group does not primarily benefit as its principal revenue stream is management fees based on commitments or invested capital. While the Group has some power over the Adjudication Committees of the CIPs, these powers are limited and represent the best interests of all carried interest holders collectively and hence, these are assessed to be on behalf of the fund investors.

The directors have assessed the payments and the returns the carried interest holders make and receive from their investment in carried interest and have considered whether those carried interest holders who are also employees of the Group were providing a service for the benefit of the Group or the investors in the fund. The directors have concluded that the carried interest represents a separate relationship between the fund investors and the individual employees and that the carried interest represents an investment requiring the individuals to put their own capital at risk and that, after an initial vesting period, continued rights to returns from the investment is not dictated by continuation of employment.

In addition the directors have also considered the variability of returns for all CIPs that currently have value under the Group's valuation policy and in doing so have determined that the Group is exposed to limited variable returns in the range 5-25% with the main beneficiaries of the CIP variable returns being the other participants. The directors concluded that the CIPs are not controlled by the Group and therefore should not be consolidated.

(e) Employee Share Ownership Trust

The Employee Share Ownership Trust ("ESOT") (being Atlantic SAV Limited and Atlantic SAV 2 Limited) holds shares in the Company. As a result the ESOT is aggregated together with the parent company and consolidated in the balance sheet and results. Own shares acquired and held by the ESOT are held at their cost and their purchase reduces the Company and Group's net assets by the amount spent.

When shares vest or are cancelled, they are transferred from own shares reserve to the profit and loss reserve at their weighted average cost. No gain or loss is recognised on the purchase, sale, issue or cancellation of the Company's shares.

(f) Merger accounting

In October 2018, as part of a group reconstruction, the Company issued shares in exchange for a holding in Bridgepoint Group Limited and its subsidiaries (the "Bridgepoint Group"). In preparing the consolidated financial statements merger accounting has been applied even though the structure means that there is no ultimate controlling party either before or after the insertion of the Company as a new holding company. The directors believe that merger accounting more fairly reflects the substance of the transaction and have therefore used a true and fair override of SI2008/410 Sch 6 para 10(a) which requires that the undertaking whose shares are acquired is ultimately controlled by the same party both before and after the acquisition. The effect of merger accounting for the group reconstruction is that the carrying amount of the Bridgepoint Group's assets and liabilities were not adjusted to fair value and no new goodwill arose as a result of the transaction.

Accordingly, whilst the Company was incorporated on 2 July 2018, the consolidated results and cash flows of the the Company and the Bridgepoint Group were included in the financial statements of the Group from the beginning of the 2018 financial year.

(g) Income and expense recognition

Income and expenses are recognised in the Profit and Loss Account and the Statement of Comprehensive Income on an accruals basis.

Turnover comprises mainly management fees earned from the management of private equity and credit fund partnerships and it is based on commitment of the fund or cost of investments.

The Group recognises revenue when it becomes due contractually, it can be measured reliably and it is probable that it will be received.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

(g) Income and expense recognition (continued)

Dividend income is recognised in the Company's Profit and Loss Account when the right to receive payment is established.

(h) Placement agent's fees

Placement agents' fees incurred during the raising of a fund are expensed as incurred.

(i) Pensions

Amounts payable in respect of employers contributions to the Group's defined contribution pension scheme are recognised in administrative expenses on an accruals basis. The assets of the scheme are held separately from those of the Group in an independently administered fund.

(j) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax is the amount of corporation tax payable in respect of the taxable profit for the year or prior year. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions.

Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

Current or deferred taxation assets and liabilities are not discounted.

(k) Tangible fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. They are depreciated so as to write off their cost, on a straight line basis, over their estimated useful lives as follows:

- Motor Vehicles - 5 years
- Computers, Furniture and other - 3 to 5 years
- Leaschold Improvements - Over the lease term

(l) Intangible assets

Intangible assets, which constitute acquired customer relationship assets acquired from a business combination, are stated at cost less accumulated amortisation and accumulated impairment losses. At the time of the acquisition, the cost of the acquired customer relationship was measured at fair value by discounting estimated contractual future cash flows over a period in which the customer was expected to remain invested within the Group's funds. Amortisation is calculated, using the straight-line method, to allocate the depreciable amount of the assets to their residual values over their estimate useful lives, which have been determined as 7 years, being the expected duration of customer relationships that existed at the time of acquisition within successor funds, after attrition in new fundraisings. The amortisation is included within 'Amortisation of goodwill and intangibles' within the Profit and Loss Account.

Intangible assets are assessed for impairment when there are indicators of impairment. Such indicators would include fundraising lower than targets.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

(m) Carried interest receivable

The initial recognition of carried interest is by its nature uncertain as it requires fund performance to exceed agreed thresholds. The carried interest receivable is initially recognised through the Profit and Loss Account as 'Profit on investments' once the first distribution of carried interest has been made by the Carried Interest Partner in accordance with the relevant partnership agreements. The carried interest receivable represents the expected income that the Group will receive from those funds whereby the fund performance has exceeded the relevant thresholds based upon the net asset value of the underlying fund, as determined by the manager of the fund and reassessed by the directors, considering all factors, information and data deemed to be pertinent at the reporting date.

(n) Business combinations

Business combinations are accounted for by applying the purchase method. The cost of a business combination is the fair value of the consideration given, liabilities incurred or assumed and of equity instruments issued plus the costs directly attributable to the business combination. Where control is achieved in stages the cost is the consideration at the date of each transaction.

On acquisition of a business, fair values are attributed to the identifiable assets, liabilities and contingent liabilities unless the fair value cannot be measured reliably, in which case the value is incorporated in goodwill. Intangible assets are only recognised separately from goodwill where they are separable and arise from contractual or other legal rights. Where the fair value of contingent liabilities cannot be reliably measured they are disclosed on the same basis as other contingent liabilities.

Contingent consideration is classified as a financial liability and subsequently remeasured to fair value, with changes in fair value recognised in the Income Statement.

Goodwill recognised represents the excess of the fair value and directly attributable costs of the purchase consideration over the fair values to the group's interest in the identifiable net assets, liabilities and contingent liabilities acquired. On acquisition, goodwill is allocated to cash-generating units ("CGUs") that are expected to benefit from the combination. Goodwill is amortised over its expected useful life which is estimated to be ten years. Goodwill is assessed for impairment when there are indicators of impairment and any impairment is charged to the income statement. No reversals of impairment are recognised.

(o) Financial instruments

Financial assets and liabilities are recognised when Group undertakings become a party to the contractual provisions of the instrument.

The Company and Group have chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Investments

Investments representing interests in private equity and credit funds are initially recognised at fair value and subsequently measured at fair value through the Profit and Loss Account. The Group's undertakings use the fair value determined by the Manager of the underlying funds. This is reassessed by the directors considering all factors, information and data deemed to be pertinent.

Investments within the fund are measured at fair value as determined in good faith by the Manager in accordance with the terms of the LPA of each fund and the International Private Equity and Venture Capital Valuation Guidelines ("IPEV") and are reviewed and approved by the relevant Bridgepoint Valuation Committees. The valuations provided by the Managers typically reflect the fair value of the Group's proportionate share of capital account balance of each investment as at 31 December or the latest available date.

Investments in CLOs include assets held in CLOs which were originated and managed by the Group and are consolidated within the financial statements. These investments are fair valued through the Profit and Loss Account. Purchases and sales of financial assets are recognised on their trade date. Investments are derecognised when the rights to receive cash flows from the investments have expired or have transferred all risk and rewards of ownership. The fair value of investments in CLOs is measured at fair value using prices obtained from third party valuations.

Investments in subsidiary undertakings are stated at cost less provision for any impairment. Provisions are only made where in the opinion of the directors there is an impairment in value.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

(o) Financial instruments (continued)

Debtors and Creditors

Debtors and Creditors are initially measured at transaction cost. They are short-term receivables/payables relating to non-financing transactions and are therefore subsequently measured at undiscounted amounts.

Receivables due in greater than one year are initially discounted to their present value using an equivalent rate of interest that would be due on borrowings. The discount is released over the time to receipt to the Profit & Loss Account through 'Interest receivable and similar income'.

Bank loans are initially recognised at the amount of cash received from the bank less separately incurred transaction costs. They are measured subsequently at amortised cost using the effective interest method.

Derivative instruments and hedge accounting

Derivative financial instruments that are used for hedging revenue received in euros are initially measured at fair value on the date on which the derivative contract is entered into and are subsequently measured at fair value at each year-end. The Group has designated the derivatives as cash flow hedges.

The effective portion of the gain or loss on the hedging instrument is recognised in the Statement of Changes in Equity in the cash flow hedge reserve within equity while any ineffective portion is recognised immediately in the Profit and Loss Account as gain/loss on cash flow hedge within operating expenses.

Derivatives are carried as assets when the fair value is positive and as a liability when fair value is negative. The fair value of the forward currency contracts is calculated by reference to the market for forward contracts with similar maturities.

Amounts recognised in the Statement of Changes in Equity are transferred to the Profit & Loss Account when the hedged transaction affects profit or loss, such as when the hedged cash flow occurs.

Fair value movements from derivatives that are not cash flow hedges are recognised in the Profit and Loss Account.

Financial liabilities

Financial liabilities, with the exception of financial liabilities at or designated at fair value through profit or loss, are initially recognised at fair value, net of transaction costs, and subsequently measured at amortised cost using the effective interest rate method, with interest expense recognised on an effective yield basis.

Liabilities of CLOs consolidated by the Group are designated as financial liabilities measured at fair value through profit or loss. Financial liabilities at fair value through profit or loss related to CLOs are initially recognised and subsequently measured at fair value on a recurring basis with gains or losses arising from changes in fair value recognised through the fair value remeasurements of investments line within the income statement along with interest paid on the CLO financial liabilities.

Amounts payable for purchases of CLO assets awaiting settlement are recognised at the point at which the CLO has a contractual obligation to exchange cash.

Deferred contingent consideration payable relating to business combinations is measured at fair value through profit and loss.

Borrowings are initially recognised at the amount of cash received from the bank, less separately incurred transaction costs. They are measured subsequently at amortised cost using the effective interest rate method.

All of the Group's other financial liabilities are measured at amortised cost using the effective interest rate method.

The Group derecognises financial liabilities when the Group's obligations are discharged, cancelled or expired. All of the Group's other financial liabilities are measured at amortised cost using the effective interest rate method.

(p) Investment in associates

Associates are entities in which the Group has an investment and over which it has significant influence, but not control, through participation in the financial and operating policy decisions. Such entities are in funds or carried interest partnerships where the Group holds more than a 20% interest in the entity. The Group initially records the investment at the fair value of the investment. The Group's income statement reflects its share of the entities' profit or loss. The balance sheet records the Group's share of the net assets of the entity.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

3 Summary of significant accounting policies (continued)

(q) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, held at call with banks.

CLO cash is cash held by CLO vehicles consolidated by the Group and is not available for the other operating activities of the Group.

(r) Dividends

Dividends and other distributions to the Company's shareholders are recognised in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the Statement of Changes in Equity.

(s) Employee benefits

Short-term employee benefits

Short-term employee benefits, which include employee salaries and bonuses, are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Accumulating holiday balances are accrued at each period end if an employee's entitlement is not used in full.

Long-term employee benefits

Long-term employee benefits, which are those that are not expected to be settled wholly before 12 months after the period end in which the employee renders the service that gives rise to the benefit, include certain long-term bonuses. An expense is recognised over the period in which the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution pensions

Amounts payable in respect of employers' contributions to the Group's defined contribution pension scheme are recognised as employee expenses as incurred. The assets of the scheme are held separately from those of the Group in an independently administered fund.

(t) Foreign currencies

The Group's functional and presentation currency is the pound sterling. These financial statements are presented in pound sterling. Whilst the currency that the Group earns its revenue is primarily euros, the currency that influences its cost base is primarily pound sterling and how Group profitability is measured, therefore pound sterling has been determined to be the most appropriate presentational currency for the Group.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to sterling at rates current at the year-end.

All differences are taken to the Profit and Loss Account.

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency of the Group as follows:

- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet
- income and expenses for each profit and loss are translated at prevailing exchange rates
- all resulting exchange differences are recognised in other comprehensive income

(u) Operating lease rentals

Rentals under operating leases are charged to the Profit and Loss Account on a straight-line basis over the lease term.

Lease incentives received to enter into an operating lease are credited to the profit and loss account, to reduce the lease expense, on a straight-line basis over the period of the lease.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

4 Profit before taxation

Profit before taxation is stated after charging:

	2020	2019	2018
	£ 000	£ 000	£ 000
Depreciation	1,970	1,672	1,545
Amortisation of goodwill and intangibles	2,699	-	-
Foreign exchange (gain)/loss	(8,645)	11,746	1,737
Operating lease rentals			
- land and buildings	6,967	6,753	6,187
- other	250	253	278
Auditors' remuneration			
- Fees payable to the Company's auditor and its associates for the audit of the financial statements of its subsidiaries	362	330	385
- Fees payable to the Company's auditor for the audit of the Company's financial statements	13	7	18
- Audit related services	20	20	20
Other fees paid to auditors			
- Tax advisory services	-	120	29
- Tax compliance services	104	82	71
- Other services	1,583	-	270

The foreign exchange losses relate to the impact of foreign denominated transactions as well as foreign denominated assets and liabilities.

Fees for other services paid to auditors includes HR related services and in 2020 due diligence in relation to the acquisition of EQT Credit (which was capitalised as part of the transaction costs).

5 Staff costs

The monthly average number of persons, including directors, employed by the Group during the year by location, was as follows:

	Group		
	2020	2019	2018
	No.	No.	No.
UK	171	158	143
Other	145	121	95
	<u>316</u>	<u>279</u>	<u>238</u>

The aggregate payroll costs (including directors' remuneration) were as follows:

	Group		
	2020	Restated 2019	Restated 2018
	£ 000	£ 000	£ 000
Wages and bonuses	71,648	64,373	71,270
Social security costs	11,942	11,269	10,639
Pension costs	1,530	1,375	1,194
Other staff costs	2,493	2,172	1,672
	<u>87,613</u>	<u>79,189</u>	<u>84,775</u>

The Group operates a defined contributions pension scheme for its directors and employees. The assets of the scheme are held separately from those of the Group in an independently administered fund. The scheme is a non-contributory scheme but does permit employee contributions. The pension cost charge for the year has been shown as part of the employee costs above. Certain employees, former employees (including directors), and other participants, invest in CIPs and are entitled to carried interest from the underlying funds managed by the Group. The carried interest represents an investment requiring the participants to put their own capital at risk and the participants who invest in these CIPs pay market value for their interests at the time of investment.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

5 Staff costs (continued)

Amounts become payable to the carried interest participants over time if and when, specified performance targets are ultimately realised in cash by the funds and paid to the CIPs. The amounts paid to employees, former employees and other participants who had invested in the carried interest, aside from the Group, was £41m, £494m and £56m in each of the years ended 31 December 2020, 2019 and 2018. As the CIPs which are entitled to the carried interest are not consolidated, the amounts of carried interest paid to other participants are not included in the Group's Profit and Loss Account.

The Company has no employees.

6 Directors' remuneration

Directors' remuneration for directors of the Company since their appointment was as follows:

	2020 £ 000	2019 £ 000	2018 £ 000
Aggregate emoluments	3,927	3,654	770
Pension contributions	20	32	17
Total emoluments of highest paid director (including pension contributions)	1,315	1,080	394

In addition, payments amounting to £0.2m (2019: £1.4m, 2018: nil) were paid to the directors of the Company during 2020, that related to amounts accrued in 2019 and were compensation payments outside the normal remuneration process.

Key management compensation

The key management of the Group is considered to be the directors of Bridgepoint Advisers Group Limited, a subsidiary company. The compensation paid or payable to key management is as follows:

	2020 £ 000	2019 £ 000	2018 £ 000
Salary, bonus and other benefits	<u>7,966</u>	<u>7,734</u>	<u>7,692</u>

In addition, payments amounting to £0.2m (2019: £3.7m, 2018: nil) were paid to key management during 2020, that related to amounts accrued in 2019 and were compensation payments outside the normal remuneration process.

Fund investors expect certain members of the Group's senior executive management to invest in carried interest and co-investment in the Group's third-party funds to demonstrate alignment of interest, and as such the directors of the Company have made significant personal commitments from their own resources to some of these third-party funds. The funds and CIPs (which are entitled to the carry) are not consolidated by the Group. The returns (in the form of investment income and capital appreciation) are fully dependent on the performance of the relevant fund and its underlying investments.

The directors of the Company have committed amounts from their personal resources totalling £18.9m at 31 December 2020 across multiple funds (2019: £18.2m, 2018: £7.8m).

In light of the COVID-19 pandemic in 2020, Bridgepoint's Board members (being the directors of Bridgepoint Advisers Group Limited) and Partners deferred the majority of their 2019 bonuses, which under normal circumstances would have been paid on 31 March 2020. Subsequently, the Board members and Partners decided to forfeit a substantial portion of the 2019 deferred bonus to a newly created Bridgepoint Hardship Fund dedicated to frontline COVID-19 relief causes in local communities and in areas close to our portfolio companies. The directors remuneration and key management compensation for 2019 accordingly reduced on payment to £3.3m and £6.9m respectively.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

7 Net interest income

	Group			Company	
	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000	2020 £ 000	2 July 2018 to 31 December 2019 £ 000
(a) Interest receivable and similar income					
Bank and other interest	46	3,009	5,000	8	2
Unwind of discount on deferred proceeds receivable	4,437	4,378	225	-	-
	<u>4,483</u>	<u>7,387</u>	<u>5,225</u>	<u>8</u>	<u>2</u>
(b) Interest payable and similar expenses					
Bank and other interest	(3,141)	(2,778)	(1,886)	-	-
Unwind of discount on deferred contingent consideration payable	(181)	-	-	-	-
Finance expense on other financial liabilities payable to external investors in Opal Investments LP	(978)	(744)	(1,362)	-	-
	<u>(4,300)</u>	<u>(3,522)</u>	<u>(3,248)</u>	<u>-</u>	<u>-</u>

8 Tax on profit

(a) Tax expense/(income) included in profit and loss account

	Group			Company	
	2020 £ 000	2019 £ 000	Restated 2018 £ 000	2020 £ 000	2 July 2018 to 31 December 2019 £ 000
Current taxation					
Current tax - current year	1,866	2,272	903	-	16
Current tax - prior year	-	65	261	(7)	-
Total current tax	<u>1,866</u>	<u>2,337</u>	<u>1,164</u>	<u>(7)</u>	<u>16</u>
Deferred taxation					
Deferred tax - current year	(388)	3,838	10,589	-	-
Deferred tax - prior year	(1,012)	776	(1,260)	-	-
Total deferred taxation	<u>(1,400)</u>	<u>4,614</u>	<u>9,329</u>	<u>-</u>	<u>-</u>
Tax charge/(credit) in the profit and loss account	<u>466</u>	<u>6,951</u>	<u>10,493</u>	<u>(7)</u>	<u>16</u>

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. An increase from 19% to 25% would increase the net deferred tax liability by £5.4m.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

8 Tax on profit (continued)

(b) Reconciliation of tax charge

The tax on profit before tax is different to the standard rate of corporation tax in the UK of 19% (2019: 19%, 2018: 19%) as explained below.

	<u>Group</u>			<u>Company</u>	
	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000	2020 £ 000	2019 £ 000
Profit before tax	43,290	68,359	7,560	12,845	169,657
Tax on profit before taxation					
at the standard rate of corporation tax in the UK of 19% (2019: 19%, 2018: 19%)	8,227	12,987	1,437	2,440	32,235
Non-taxable and non-deductible items	(28,248)	(16,660)	6,188	(2,669)	(32,221)
Deferred tax adjustments regarding management fee income and investments	3,974	958	(1,426)	-	-
Effect of tax losses	-	-	(1,989)	-	-
Effect of tax rate changes	1,514	1,279	1,698	(7)	-
Effect of foreign tax rates	1,309	354	(175)	-	-
Deferred tax not recognised	14,702	7,191	5,759	229	2
Prior year adjustment	(1,012)	842	(999)	-	-
Total tax charge/(credit) for the year	<u>466</u>	<u>6,951</u>	<u>10,493</u>	<u>(7)</u>	<u>16</u>

The deferred tax asset in respect of tax losses of £70.3m (2019: £48.7m, 2018: £47.1m) carried forward has not been recognised due to the uncertainty of future taxable profits against which the asset can be utilised in the foreseeable future.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

9 Tangible assets

The movement for the year was as follows:

	Group		
	Leasehold Improvements £ 000	Computers, Furniture and Other £ 000	Total £ 000
Cost			
Balance at 1 January 2020	8,670	7,785	16,455
Foreign exchange movement	82	91	173
Additions	1,149	2,086	3,235
Disposals	-	(12)	(12)
At 31 December 2020	<u>9,901</u>	<u>9,950</u>	<u>19,851</u>
Accumulated depreciation			
Balance at 1 January 2020	(3,355)	(5,474)	(8,829)
Foreign exchange movement	(23)	(45)	(68)
Depreciation	(899)	(1,071)	(1,970)
At 31 December 2020	<u>(4,277)</u>	<u>(6,590)</u>	<u>(10,867)</u>
Net book value			
Balance at 31 December 2019	<u>5,315</u>	<u>2,311</u>	<u>7,626</u>
Balance at 31 December 2020	<u>5,624</u>	<u>3,360</u>	<u>8,984</u>

10 Goodwill

Group	£ 000
Cost	
At 1 January 2020	-
Additions	<u>112,443</u>
At 31 December 2020	<u>112,443</u>
Amortisation	
At 1 January 2020	-
Amortisation charge	<u>(2,126)</u>
At 31 December 2020	<u>(2,126)</u>
Carrying amount	
At 31 December 2019 and 31 December 2018	<u>-</u>
At 31 December 2020	<u>110,317</u>

The goodwill asset arose following the acquisition of EQT AB's credit fund management business. Further detail is set out in note 12.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

11 Intangible assets

Group	£ 000
Cost	
At 1 January 2020	-
Additions	<u>21,228</u>
At 31 December 2020	<u>21,228</u>
Amortisation	
At 1 January 2020	-
Amortisation charge	<u>(573)</u>
At 31 December 2020	<u>(573)</u>
Carrying amount	
At 31 December 2019 and 31 December 2018	<u>-</u>
At 31 December 2020	<u>20,655</u>

The customer relationship asset arose following the acquisition of EQT AB's credit fund management business. Further detail is set out in note 12.

12 Business combinations

On 23 October 2020, the Group acquired 100% of the equity instruments in entities representing EQT AB's Credit fund management business ("EQT Credit"), (with the exception of Bridgepoint Credit Holdings Limited, where the Group acquired 49% of the A Shares and 100% of the B Shares). The Group also acquired interests in certain funds and carried interest managed by EQT Credit. The consideration included an initial cash payment of £106.3m (including transaction costs and liabilities incurred) and a deferred element of up to €50m (£44.6m), which is payable to EQT AB based on the outcome of fundraising for certain funds. This excludes consideration paid in relation to the acquisition of the interests in funds and carried interest which has been detailed in Note 13 and 14.

The deferred consideration of £32.1m recorded in the opening balance sheet and £31.6m as at 31 December 2020, is based on management's expectation of the fundraising at the acquisition date. The deferred consideration is expected to be paid in 2022. See note 24 for further detail.

As part of the acquisition of the EQT Credit business, the Group also acquired an interest in CLO notes in CLO I and CLO II for cash consideration of £23.6m. As the Group is considered to have both the power and has exposure to variable returns from its involvement as an investor in the subordinated notes it is required to consolidate the CLO vehicles.

The following table summarises the consideration paid by the Group, the fair value of assets acquired and liabilities assumed at the acquisition date. This excludes consideration paid in relation to the acquisition of the interests in funds and carried interest.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

12 Business combinations (continued)

	£ 000
Fair value of assets acquired	
Tangible assets	8
Intangible assets	21,228
Cash and cash equivalents	18,040
Trade debtors	8,418
Trade creditors	<u>(19,071)</u>
Total identifiable EQT Credit net assets	<u>28,623</u>
CLO assets	173,560
CLO cash	1,919
CLO liabilities	<u>(151,853)</u>
Total identifiable CLO net assets acquired	23,626
Deferred tax liabilities	(4,033)
Goodwill	<u>112,443</u>
Total purchase consideration	<u><u>160,659</u></u>

Goodwill arising from the acquisition is attributable to the workforce and track record of the acquired business.

Adjustments to book values arising on acquisition were principally in relation to the recognition of acquired fund management contracts as intangible assets and deferred tax liabilities in relation to the amortisation of the intangible assets and goodwill. The useful life of the goodwill has a life of 10 years, being the maximum useful life under FRS 102. The intangible assets are estimated to be 7 years, being the expected duration of customer relationships that existed at the time of acquisition within successor funds, after attrition in new fundraisings.

The acquired business contributed revenues of £6.5m and profit before tax of £2.3m to the Group for the period from 23 October to 31 December 2020. If the acquisition had occurred on 1 January 2020, consolidated pro-forma revenue and profit before for the year ended 31 December 2020 would have been £34m and £12m respectively.

13 Carried interest receivable

	Group		
	2020	2019	2018
	£ 000	£ 000	£ 000
As at 1 January	16,560	2,232	2,573
Additions	4,115	42,060	818
Distributions received	(2,127)	(56,397)	(2,201)
Remeasurement	(1,057)	30,814	1,019
Foreign exchange movement	689	<u>(2,149)</u>	23
As at 31 December	<u>18,180</u>	<u>16,560</u>	<u>2,232</u>

Additions include carried interest acquired from EQT AB in relation to EQT Credit (£3.6m).

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

14 Investments in funds

	Group		
	Investments at fair value		
	2020	2019	Restated 2018
	£ 000	£ 000	£ 000
As at 1 January	206,077	125,496	102,078
Additions	47,908	133,999	49,843
Distributions received	(51,152)	(56,904)	(46,404)
Change in fair value	19,387	14,390	18,477
Foreign exchange movement	11,248	(10,904)	1,502
As at 31 December	233,468	206,077	125,496

Additions include investments in funds acquired from EQT AB in relation to EQT Credit (£3.0m).

Investments at fair value primarily consist of loans or commitments made in relation to the Bridgepoint Europe VI, V and III private equity funds and the Bridgepoint Credit I, II, Direct Lending I, II and Credit Opportunities III private credit funds. The fair value is derived from calculating the Group's share of the net asset value of the underlying fund vehicle.

	Investments at amortised cost		
	2020	2019	2018
	£ 000	£ 000	£ 000
As at 1 January	-	86,363	48,587
Additions	-	34,947	57,322
Disposals	-	(121,310)	(21,486)
Interest receivable	-	-	872
Foreign exchange movement	-	-	1,068
As at 31 December	-	-	86,363

Investments at amortised cost represented a portfolio of loans made to private companies that are measured at amortised cost using the effective interest method over the expected life. In 2019 this portfolio was transferred to a fund with both Bridgepoint and external investors.

15 Investments in CLOs

The balance shown includes the gross value of the assets held by Bridgepoint CLO I DAC and Bridgepoint CLO II DAC, which are consolidated by the Group, but of which the Group only holds the right to a small portion. Each CLO typically invests in 70-100 individual loans issued by private equity borrowers. The portfolios are highly diversified by geography, industry and sponsor.

	Group		
	Investments at fair value		
	2020	2019	2018
	£ 000	£ 000	£ 000
Fair value of assets held by CLOs	272,476	-	-
CLO cash	114,750	-	-
Fair value of CLO assets attributable to third party investors	(367,734)	-	-
Group's exposure to CLO assets	19,492	-	-

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries

	Company		
	Subsidiary undertakings		
	2020	2019	2018
	£ 000	£ 000	£ 000
As at 1 January	448,012	-	-
Additions	-	448,012	-
As at 31 December	448,012	448,012	-

The Company's investment is a majority holding in Bridgepoint Group Limited.

The Group includes subsidiaries, listed below, that manage private equity and credit fund partnerships in which they have participating interests, albeit relatively small, and for which they act as general partner.

Details of undertakings

The Company has a majority shareholding in the Bridgepoint Group Limited. The Group has investments in the following subsidiaries and other related interests. Entities that the Bridgepoint Group Limited holds less than 100% of the ordinary shares are explained as highlighted with footnotes.

Name	Address	Principal activity
101 Investments (GP) Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
101 Investments Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
Atlantic GP 1 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Atlantic GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Atlantic GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BBTPS (GP) Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BBTPS FP GP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Founder Partner to UK Limited Partnerships
BBTPS Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BC AD GP SCS*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
BC BOCPIF GP SCS*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
BC Empire GP SCS*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
BC II FP Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
BC II FP SGP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BC GP 1 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BC GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

BC II GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BC II GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BC II MLP Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
BC MLP UK Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
BC SMA Carry GP S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
BCLO Credit Investments I S.à r.l.*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	CLO management company
BCO II Carry GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BCO III Carry GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC II (SGP) Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC II FP GP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Founder Partner to UK Limited Partnerships
BDC II GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC II Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
BDC II Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BDC III GP 1 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BDC III GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BDC III GP LLP	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BDC III Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
BDC III Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BDC III SFP GP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC IV Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BDC IV Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
BDC IV GP 1 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BDC IV GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BDC IV MLP Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
BDC IV GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

BDC IV GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC IV SFP GP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDC Special 1 Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BDC Special 2 Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BDC Special GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BDL I Carry GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BDL II Carry GP S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
BDL II GP SCS*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partners
BE Advisers S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	Private equity advisory company
BE II Investments (GP) Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BEP IV (Nominees) Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BEP IV FP Limited	95 Wigmore Street, London, W1U 1FB, UK	Founder Partner to UK Limited Partnerships
BEP IV FP SGP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BEP IV GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BEP IV GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BEP IV GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BEP IV MLP Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
BE V Germany GP Co Limited	1 Royal Plaza, St Peter Port, Guernsey, GY1 2HL	General Partner to Guernsey Limited Partnership
BEV FP Limited	95 Wigmore Street, London, W1U 1FB, UK	Founder Partner to UK Limited Partnerships
BEV GP LLP	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BEV FP SGP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
BEV GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BEV GPC Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
BEV MLP Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
BEV Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

BEV Nominees II Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BE VI FP Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
BE VI FP SGP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BE VI GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
BE VI GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BE VI GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Dormant entity
BE VI Limited	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Dormant entity
BE VI MLP Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
BE VI Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
BG Holdco 1 Limited	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Dormant entity
Bridgepoint AB	Mäster Samuelsgatan 1, 111 44 Stockholm, Sweden	Private equity advisory company
Bridgepoint Advantage Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Advantage MLP Limited	95 Wigmore Street, London, W1U 1FB, UK	Managing Limited Partner to UK Limited Partnerships
Bridgepoint Advantage FP Limited	95 Wigmore Street, London, W1U 1FB, UK	Founder Partner to UK Limited Partnerships
Bridgepoint Advantage FP SGP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Advantage GP 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Bridgepoint Advantage GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Advantage GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Advisers Europe Limited	95 Wigmore Street, London, W1U 1FB, UK	Private equity advisory company
Bridgepoint Advisers Group Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
Bridgepoint Advisers Holdings	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
Bridgepoint Advisers II Limited	95 Wigmore Street, London, W1U 1FB, UK	Private equity management company
Bridgepoint Advisers Limited	95 Wigmore Street, London, W1U 1FB, UK	Private equity management company
Bridgepoint Advisers UK Limited	95 Wigmore Street, London, W1U 1FB, UK	Private equity advisory company
Bridgepoint Capital (Doolittle) Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Capital (GP) Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to Delaware Partnership

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

Bridgepoint Capital (Nominees) Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
Bridgepoint Capital (Nominees) 2 Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
Bridgepoint Capital Delaware GP LP	One Rodney Square, 10th Floor, Tenth and King Streets, Wilmington, New Castle County, Delaware 19801, USA	General Partner to UK Limited Partnerships
Bridgepoint Capital Directorships Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Capital General Partner LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Capital General Partner II LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Capital Group Limited Employee Benefit Trust	95 Wigmore Street, London, W1U 1FB, UK	Employee Benefit Trust
Bridgepoint Capital Scottish GP Limited	General Partner to UK Limited Partnerships	General Partner to UK Limited Partnerships
Bridgepoint Capital Scottish GP II Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Capital Partners Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Capital Trustee Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Capital Verwaltungs GmbH	Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany	General Partner to German Partnerships
Bridgepoint CLO I DAC*****	5th Floor the Exchange, George's Dock, Dublin 1, D01 W3P9, Ireland	CLO Designated activity company
Bridgepoint CLO II DAC*****	5th Floor the Exchange, George's Dock, Dublin 1, D01 W3P9, Ireland	CLO Designated activity company
Bridgepoint Credit AD GP S.à r.l.*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
Bridgepoint Credit Advisers Limited	95 Wigmore Street, London, W1U 1FB, UK	Credit fund advisory company
Bridgepoint Credit Advisers UK Limited*****	95 Wigmore Street, London, W1U 1FB, UK	Credit fund management company
Bridgepoint Credit BOCPIF GP S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
Bridgepoint Credit Carry LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Investment holding company
Bridgepoint Credit Carry GP LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Credit Europe Limited	95 Wigmore Street, London, W1U 1FB, UK	Credit fund advisory company
Bridgepoint Credit France SAS	21 Avenue Kléber, 75116 Paris, France	Credit fund management company
Bridgepoint Credit Empire GP S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

Bridgepoint Credit GP Verwaltungs GmbH*****	Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany	General Partner to German Partnerships
Bridgepoint Credit Holdings Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
Bridgepoint Credit Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
Bridgepoint Credit Management Limited*****	95 Wigmore Street, London, W1U 1FB, UK	Credit fund management company
Bridgepoint Credit Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee entity
Bridgepoint Credit Opportunities II GP GmbH & Co. KG*****	Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany	General Partner to German Partnerships
Bridgepoint Credit Opportunities II GP Limited*****	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Bridgepoint Credit Opportunities II GP LP*****	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Credit Opportunities III GP Limited*****	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Bridgepoint Credit Opportunities III GP LP*****	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Credit Opportunities IV GP S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
Bridgepoint Credit Opportunities SICAV GP S.à r.l.*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partners
Bridgepoint Credit Partners Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Credit Services S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	Credit fund advisory company
Bridgepoint Debt Funding Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Debt Management Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Debt Managers Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Development Capital Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Direct Lending II GP S.à r.l.*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partners
Bridgepoint Direct Lending III GP S.à r.l.	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
Bridgepoint Europe (SGP) Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Europe III FP (GP) Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

Bridgepoint Europe III (GP) Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Bridgepoint Europe III GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Europe IV (Nominees) 1 Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Europe IV (Nominees) Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Europe IV FP (GP) Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Founder Partner to UK Limited Partnerships
Bridgepoint Europe IV General Partner LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Europe IV General Partner 'F' LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Europe Limited	95 Wigmore Street, London, W1U 1FB, UK	Limited Partner to UK Limited Partnerships
Bridgepoint Europe Managerial LLP	95 Wigmore Street, London, W1U 1FB, UK	Limited partner to UK Limited Partnerships
Bridgepoint Finance Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint France SAS	21 Avenue Kléber, 75116 Paris, France	Private equity management company
Bridgepoint Group Limited *	95 Wigmore Street, London, W1U 1FB, UK	Holding Company
Bridgepoint GmbH	Neue Mainzer Straße 28, 60311 Frankfurt am Main, Germany	Private equity advisory company
Bridgepoint GP2 LLP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Bridgepoint Group Holdings Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Growth I GP LLP	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
Bridgepoint Growth Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Growth Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
Bridgepoint Holdco 1 Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Holdings Group Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Holdings Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Infrastructure Development Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Infrastructure Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint International Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Investment Consultants (Shanghai) Co Ltd	Shanghai One ICC, 999 Huaihai Road (Middle), 200031 Shanghai, China	Private equity advisory company
Bridgepoint Loan Fund GP GmbH & Co. KG*****	Neue Mainzer Strasse 28, 60311 Frankfurt am Main, Germany	General Partner to German Partnerships

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

Bridgepoint Loan Fund GP S.à.r.l.*****	2 avenue Charles de Gaulle, L-1653 Luxembourg	General Partner to Luxembourg Limited Partnerships
Bridgepoint Netherlands BV	Honthorststraat 16H, 1071 DE Amsterdam, The Netherlands	Private equity advisory company
Bridgepoint Partners Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint SAS	21 Avenue Kléber, 75116 Paris, France	Private equity advisory company
Bridgepoint Portfolio Services SAS	21 Avenue Kléber, 75116 Paris, France	Private equity advisory company
Bridgepoint Private Equity Group Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Private Equity Growth Fund Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Private Equity Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Property Advisers Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Property Development Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Real Estate Advisers Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Real Estate Development Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Real Estate Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Real Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint SA	Calle Rafael Calvo 39A-4º, 28010 Madrid, Spain	Private equity advisory company
Bridgepoint Services Sàrl	2 avenue Charles de Gaulle, L-1653 Luxembourg	Private equity advisory company
Bridgepoint Sp Zoo	Marszałkowska 126/134, 00-008 Warsaw, Poland	Private equity advisory company
Bridgepoint Sp Zoo sp.k	Marszałkowska 126/134, 00-008 Warsaw, Poland	Private equity advisory company
Bridgepoint Structured Credit Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Team Paris S.à r.l.	153-155, rue du Kiem, L-8030 Strassen, Luxembourg	Dormant entity
Bridgepoint US Holdco Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint Ventures Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Bridgepoint, LLC	10 East 53rd St. 28th Floor, New York, NY 10022, USA	Private equity advisory company

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

George Town (Nominees) Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Horninghaven Limited	95 Wigmore Street, London, W1U 1FB, UK	Dormant entity
Horningway Limited	95 Wigmore Street, London, W1U 1FB, UK	General Partner to UK Limited Partnerships
HPE II GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
HPE SGP Limited	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
LORAC 5 Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC 6 Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC BC Co-Investment Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC BDC III Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC BDC Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC BEP IV Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC BE VI Co-investment Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC BG I Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC Eagle Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
LORAC KITE Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment holding company
New HPE II GP LP	50 Lothian Road, Edinburgh, EH3 9WJ, UK	General Partner to UK Limited Partnerships
Opal Investments LP **	50 Lothian Road, Edinburgh, EH3 9WJ, UK	Investment holding partnership
PEPCO Services LLP	95 Wigmore Street, London, W1U 1FB, UK	Collective purchasing negotiator
Ruby Germany GP Limited	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	General Partner to Guernsey Limited Partnership
Ruby Investments (UK) Limited	95 Wigmore Street, London, W1U 1FB, UK	Investment company
Sapphire Fund II South Limited ***	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Sapphire Investments (Guernsey) Limited	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Sapphire Sub II A Limited *****	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Sapphire Sub II B Limited *****	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Sapphire Sub III A Limited *****	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Sapphire Sub III B Limited *****	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

16 Investments in subsidiaries (continued)

Sapphire Sub South Limited *****	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Sapphire Sub III C Limited *****	1 Royal Plaza, Royal Avenue, St Peter Port, Guernsey, GY1 2HL	Investment holding company
Throttle Nominees Limited	95 Wigmore Street, London, W1U 1FB, UK	Nominee company
Vigny Advisory S.à r.l.	21 rue La Perouse 75116 Paris, France	Dormant entity
Vigny Holding S.à r.l.	21 rue La Perouse 75116 Paris, France	Dormant entity
Vigny Participation S.à r.l.	21 rue La Perouse 75116 Paris, France	Dormant entity

* This entity is owned directly by Atlantic Investments Holdings Limited

** Investment in limited partnership where the Group has control and 85% of the economics

*** 25% interest. The Group does not control and will not be the beneficiary of any equity returns from these entities

**** In the process of liquidation

***** The Group does not control and will not be the beneficiary of any equity returns from these entities

***** Acquired from EQT AB

***** The Group holds 49% of A Shares and 100% of B shares

***** The Group holds subordinated notes in the residual class (CLO I: 5% of total notes outstanding, CLO II: 50%)

For the year ending 31 December 2020 the following subsidiaries were expected to be entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies:

- BBTPS FP GP Limited
- BC II FP SGP Limited
- BDC II Limited
- BDC II FP GP Limited
- BDC III Limited
- BDC III SFP GP Limited
- BDC Special 1 Limited
- BDC Special 2 Limited
- BDC Special GP LLP
- BEV FP SGP Limited
- Bridgepoint Advantage FP SGP Limited
- Bridgepoint Europe III FP (GP) Limited
- Bridgepoint Europe IV FP (GP) Limited

17 Associates

Information about the Group's associates measured at fair value is show below. The investments are recorded as investments in funds or carried interest receivable within the Group's balance sheet.

Bridgepoint Credit II "C" LP

Within investments in funds, the Group has an investment that represents 27% of the total committed capital of Bridgepoint Credit II (C) LP, a fund that lends to private companies. Where the Group holds an interest that is greater than 20% the Group is considered to have significant influence, but not control. Accordingly, Bridgepoint Credit II is considered to be an associate of the Group. The partnership's registered address is 95 Wigmore Street, London.

BDC III SFP LP

The Group has an interest in a CIP which has a share of 25% of the rights to the carried interest from the BDC III fund partnerships and is therefore considered to have significant influence. Where the Group holds an interest that is greater than 20% the Group is considered to have significant influence, but not control. Accordingly, the BDC III carry scheme is considered an associate of the Group. The partnership's registered address is 50 Lothian Road, Festival Square, Edinburgh.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

18 Debtors

	Group			Company	
	2020 £ 000	2019 £ 000	2018 £ 000	2020 £ 000	2019 £ 000
<i>Amounts due in more than one year:</i>					
Deferred proceeds receivable	-	108,900	174,257	-	-
Other debtors	1,490	1,339	1,920	-	-
	<u>1,490</u>	<u>110,239</u>	<u>176,177</u>	<u>-</u>	<u>-</u>
<i>Amounts due within one year:</i>					
Deferred proceeds receivable	111,672	69,735	-	-	-
Other debtors	57,591	34,841	28,056	23	13
Corporation tax receivable	647	-	-	-	-
Prepayments and accrued income	4,785	3,252	3,447	-	-
	<u>174,695</u>	<u>107,828</u>	<u>31,503</u>	<u>23</u>	<u>13</u>
Total debtors	<u><u>176,185</u></u>	<u><u>218,067</u></u>	<u><u>207,680</u></u>	<u><u>23</u></u>	<u><u>13</u></u>

Deferred proceeds receivable relate to additional consideration payable under an Investment Agreement with a shareholder of Bridgepoint Group Limited. Amounts receivable have been discounted.

Other debtors primarily relate to amounts to be invoiced to funds in relation to costs incurred on their behalf.

Amounts receivable from the funds at year end were £27.7m (2019: £28.8m, 2018: 16.3m). Amounts receivable from fund portfolio companies at the end of the year were £1.6m (2019: £1.4m, 2018: £0.5m).

19 Financial assets at fair value

Group undertakings have entered into a series of forward trades and swap agreements to sell EUR and buy GBP at various dates in the future to reduce the currency exposure of EUR denominated income to future spot rate volatility. At 31 December 2020 the Group had £197.5m (2019: £156.5m, 2018: £55.0m) of forward trades maturing through 2021-2024 to match certain expected future cash flows. The aggregate mark-to-market value of these hedges at 31 December 2020 was (£4.2)m (2019: £2.0m, 2018: (£5.7)m). These hedges are in place to match known future cash flows, and the Group has decided to use Cash Flow Hedge Accounting as allowed and determined under FRS 102.

The effective portion of the gain or loss on these hedging instruments are recognised in the Statement of Changes in Equity in cash flow hedge reserves while any ineffective portion is recognised immediately in the profit and loss account as gain or loss on cash flow hedges within operating expenses. The change in value that has been recognised through profit and loss (ineffective portion) is nil (2019: nil) and the amount recognised in the cash flow hedge reserves during the year (effective portion) is loss £(4.8)m (2019: gain £4.0m, 2018: loss £(0.2)m). The value of the forward trades is recognised through the Profit and Loss Account at the point of maturity of each trade and which will match the recognition of certain of the underlying cash flows of the business which the hedges relate to. During 2020 hedges with a value of loss £(1.4)m at the prior year end were released to the profit and loss account (2019: gain £3.7m, 2018: gain £3.0m). There was no hedge ineffectiveness.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

20 Creditors: Amounts falling due within one year

	Group			Company	
	2020	Restated 2019	Restated 2018	2020	2019
	£ 000	£ 000	£ 000	£ 000	£ 000
Amounts owed to group undertakings	-	-	-	903	659
Trade creditors	5,098	5,008	2,224	-	-
Group relief	-	-	-	8	16
Social security payable	2,386	1,555	5,402	-	-
Corporate tax payable	73	1,603	565	-	-
Other creditors	4,626	873	14,719	-	-
Accruals and deferred income	73,984	35,317	45,137	13	16
	<u>86,167</u>	<u>44,356</u>	<u>68,047</u>	<u>924</u>	<u>691</u>

Amounts owed to group undertakings comprise payments made by another group entity on behalf of the Company. These amounts are unsecured, interest free, have no fixed date of repayments and are payable on demand.

Accruals and deferred income includes amounts incurred not yet invoiced, employee bonuses and amounts received in relation to fund management activity that is owed to the Bridgepoint funds.

21 Loans and borrowings

	Group			Company	
	2020	2019	2018	2020	2019
	£ 000	£ 000	£ 000	£ 000	£ 000
Liabilities held at amortised cost:					
Loans and borrowings less than one year	99,708	23,036	-	-	-
Loans and borrowings greater than one year	-	19,225	77,314	-	-
	<u>99,708</u>	<u>42,261</u>	<u>77,314</u>	<u>-</u>	<u>-</u>

On 17 May 2017, Bridgepoint Advisers Holdings, a subsidiary, entered into a Revolving Credit Agreement for €30m which was subsequently increased to a €60m facility on 25 March 2020 for a period of 30 months. On 19 October 2020, Bridgepoint Advisers Holdings, entered into a new Revolving Facility Agreement for £125m for a period of three years. At 31 December 2020, £90.7m had been drawn (2019: £23.0m drawn, 2018: undrawn). Loan arrangement fees of £1.25m have been capitalised and are being amortised over the term of the facility.

On 17 October 2017, Opal Investments LP, a subsidiary, entered into a Revolving Credit Agreement for €40m for a period of 50 months. On 31 January 2020 the size of the facility was reduced to €25.0m and on 9 October 2020 was reduced to €15.0m. At 31 December 2020, £10.1m remained drawn on the facility (2019: £19.2m, 2018: £28.1m). The facility was fully repaid in June 2021.

22 CLO liabilities

	Group			Company	
	2020	2019	2018	2020	2019
	£ 000	£ 000	£ 000	£ 000	£ 000
CLO funding liabilities at fair value through profit or loss (non-current)	256,608	-	-	-	-
CLO funding liabilities at fair value through profit or loss (current)	17,889	-	-	-	-
CLO purchases awaiting settlement	93,237	-	-	-	-
	<u>367,734</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

22 CLO liabilities (continued)

Financial liabilities held at fair value through profit on loss represent notes issued by CLOs that are originated by the Group. They are initially recognised and subsequently measured at fair value with gains or losses arising from changes in fair value and interest paid on financial instruments recognised through investment income in the Profit and Loss Account.

CLO purchases awaiting settlement are amounts owed to trading counterparties for the acquisition of CLO assets.

23 Provisions for liabilities

	Group			Company	
	2020	Restated 2019	Restated 2018	2020	2019
	£ 000	£ 000	£ 000	£ 000	£ 000
Provision for deferred tax liability	17,177	15,457	9,544	-	-

The net deferred tax liability represents timing differences on the tax treatment of the Group's fee income and the remeasurement of the fair value of investments and it will unwind as fees become taxable and investments are realised.

The deferred tax has been measured using the applicable tax rate expected at the point at which the income or cost will become taxable.

24 Creditors: Amounts falling due later than one year

	Group			Company	
	2020	Restated 2019	Restated 2018	2020	2019
	£ 000	£ 000	£ 000	£ 000	£ 000
Other creditors	588	511	481	-	-
Deferred contingent consideration payable	31,563	-	-	-	-
	<u>32,151</u>	<u>511</u>	<u>481</u>	<u>-</u>	<u>-</u>

The deferred contingent consideration is payable to EQT AB and is based on management's expectation of the fundraising at the acquisition date. The maximum amount payable is €50.0m (£44.6m). The deferred consideration payable is expected to be paid in 2022 and has therefore been discounted.

25 Other financial liabilities

	Group			Company	
	2020	Restated 2019	Restated 2018	2020	2019
	£ 000	£ 000	£ 000	£ 000	£ 000
Other non-current financial liabilities	3,821	2,840	2,097	-	-

The Group has an investment in Opal Investments LP, which is an investor in the Bridgepoint Europe V Fund partnerships. Under the limited partnership agreement, a related party had the right to receive up to 100% of the profits from the partnership unless the Group exercised an option to trigger up to 85% of the profits of the partnership from the date of the exercise of the option.

Effective 31 December 2020, the option was exercised therefore 85% of current year and accumulated prior year profits from the partnership were allocated to the equity shareholders of the Company from non-controlling interests. 15% of the residual profits are classified as a financial liability payable to a related party.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

26 Financial instruments

	Group		
	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000
Financial assets			
Derivative financial assets measured at fair value	-	2,016	-
Investments in funds measured at fair value	233,468	206,077	125,496
Carried interest receivable measured at fair value	18,180	16,560	2,232
CLO assets measured at fair value	272,476	-	-
Total amounts measured at fair value through Profit and Loss	524,124	224,653	127,728
Other debtors	170,753	214,815	204,233
Investments at amortised cost	-	-	86,363
Total amounts measured at amortised cost	170,753	214,815	290,596
Total financial assets	694,877	439,468	418,324
	Group		
	2020 £ 000	2019 £ 000	2018 £ 000
Financial liabilities			
Derivative financial liabilities measured at fair value	4,230	-	5,719
Deferred consideration payable at fair value	31,563	-	-
CLO liabilities measured at fair value	274,497	-	-
CLO purchases awaiting settlement	93,237	-	-
Other financial liabilities measured at fair value	3,821	2,840	2,097
Total amounts measured at fair value through Profit and Loss	407,348	2,840	7,816
Other creditors	12,183	9,039	22,345
Loans and borrowings	99,708	42,261	77,314
Total amounts measured at amortised cost	111,891	51,300	99,659
Total financial liabilities	519,239	54,140	107,475
	Company		
	2020 £ 000	2019 £ 000	
Financial assets			
Investments measured at lower of cost and impairment	448,012	448,012	
Debtors measured at amortised cost	23	13	
Total financial assets	448,035	448,025	
	Company		
	2020 £ 000	2019 £ 000	
Financial liabilities			
Amounts owed to group undertakings	903	659	
Other creditors	21	32	
Total financial liabilities	924	691	

27 Financial risk management

Financial risks associated with the financial instruments are:

Market risk

Market risk is the potential for changes in value of the underlying financial instruments and accompanies the potential for both losses and gains. This includes price, FX and interest rate risk.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

27 Financial risk management (continued)

The Group's unquoted investments face market risk arising from uncertainties about future values of the investments. The Group manages the acquisition and divestment of private equity and credit investments and monitors the performance of investments held by the Group on an ongoing basis.

The Group fully consolidates CLO I which was launched in November 2020, and CLO II was launched in June 2021. The Group's interest in CLO I comprises an interest in subordinated notes which incur the first loss if there is any default within the portfolio of assets by an individual borrower. The Group's interest in CLO II related to exposure in warehoused assets, which had been part funded by a banking facility with no recourse to the Group pending the formal launch of the CLO.

The Group is required to hold a 5% interest in these vehicles under risk retention rules. The Group's maximum exposure to loss associated with its interest in the CLOs is limited to the carrying amounts of the notes held by the Group, which as at 31 December 2020 was £19.5m (2019: £Nil, 2018: £Nil).

For illustrative purposes, for the year ended 31 December 2020, a change of +/-10% in the value of investments, excluding CLO investments attributable to third party investors, would have resulted in a change in the Group's net asset value of +/- £27 million.

The Group holds assets denominated in currencies other than pounds, the measurement currency of the Group. Consequently the Group is exposed to currency risk since the value of assets denominated in other currencies will fluctuate due to changes in exchange rate.

Additionally the Group uses FX forwards and swap agreements to reduce the currency exposure of EUR denominated income to future spot rate volatility.

The Group holds investments and has borrowings with a variable rate of interest which creates an exposure to interest rates.

Credit risk

Credit risk is the risk that a counterparty will be unable to meet their obligations in full, when due. Potential areas of credit risk consist of cash and cash equivalents, including deposits with banks and financial institutions, and short-term receivables. The maximum exposure to credit risk at the reporting date of these financial assets is their carrying amount. The Group limits its exposure in relation to cash balances by only dealing with well-established financial institutions of high quality credit standing.

Liquidity risk

Liquidity risk is the risk that cash may not be available to pay obligations when due. Along with its cash reserves, the Group has the use of a Revolving Credit Facility, to assist in managing liquidity.

28 Called-up share capital

Allotted, called up and fully paid shares

	2020		2019	
	Number	£ 000	Number	£ 000
A1 of £81 each	2,280,000	184,680	2,280,000	184,680
A2 of £0.01 each	552,000	6	552,000	6
A4 of £0.01 each	235,540	2	235,540	2
C1 of £170 each	59,460	10,108	59,460	10,108
C2 of £70 each	105,000	7,350	105,000	7,350
C3 of £85 each	95,000	8,075	95,000	8,075
C4 of £165 each	60,000	9,900	60,000	9,900
C5 of £150 each	65,000	9,750	65,000	9,750
C6 of £275 each	40,000	11,000	40,000	11,000
YY of £1 each	1	-	1	-
	<u>3,492,001</u>	<u>240,871</u>	<u>3,492,001</u>	<u>240,871</u>

The shares have the rights and restrictions as set out in the Articles of Association of the Company.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

28 Called-up share capital (continued)

The holders of the A1, A2, C1, C2, C3, C4, C5 and C6 ordinary shares have the right to receive notice of and to attend and vote at any general meeting of the Company. The A1 and A2 shares have one vote per share on a resolution, and the C1, C2, C3, C4, C5 and C6 share classes each have, in aggregate, such number of votes as it equal to 5% of the total number of eligible votes on a resolution. The holders of the A4 shares have the right to receive notice of and to attend any general meeting of the Company, but have no right to vote. The holder of the YY share has no right to receive notice of and to attend and vote at any general meeting of the Company.

Each A1, A2, A4, C1, C2, C3, C4, C5 and C6 share is eligible for ordinary course dividends (save that, in the case of A2 shares, they are not eligible for dividends until the second anniversary of their issue) and distributions on a liquidation, and is generally entitled to participate in a return of capital, in each case subject to the provisions set out in the articles of association of the Company. The YY share is not entitled to receive any dividends or distributions (including on a liquidation) or to participate in any return of capital.

The A1, A2, A4, C1, C2, C3, C4, C5, C6 and YY shares are not redeemable.

In October 2018 the Company issued A1, A4, B1, B2, C1, C2, C3, C4, C5 and C6 shares in exchange for equivalent share classes held by the shareholders of Bridgepoint Group Limited. These were issued at range of nominals.

In December 2018 the B2 shares were cancelled under S.641(4)(b) solvency statement process under the Companies Act 2006. The capital was returned to B2 shareholders for an agreed amount per share. As this was less than the nominal value of each per share, the excess was transferred to retained earnings. In addition, the B1 shares were redeemed out of retained earnings and the value of the share capital was transferred to the capital redemption reserve.

In January 2019 the Company issued A2 shares for cash consideration. Consideration in excess of the nominal value is recognised as share premium.

In May 2021 the Company passed resolutions to cancel 201,499 A1 shares held by Atlantic SAV Limited, cancel the capital redemption reserve of the Company, reduce the nominal value of the A1, C1, C2, C3, C4, C5 and C6 shares to £0.01 per share, redesignate 500 A1 shares held by Atlantic SAV 2 Limited as deferred shares, redesignate all outstanding A4, C1, C2, C3, C4, C5 and C6 shares as A1 shares, and cancel 98,000 A1 shares and 72,500 A2 shares held by Atlantic SAV 2 Limited.

29 Capital redemption reserve

The capital redemption reserve was created on 14 December 2018 following the redemption of the B1 shares. It is a non-distributable reserve.

30 Own share

At 31 December 2020, the Company held 326,500 A1 shares and 55,000 A2 shares within retained earnings a cost of £256,609.

31 Non-controlling interests

Non-controlling interests include Dyal Capital Partners interest in Bridgepoint Group, a majority owned direct subsidiary of the Company.

Non-controlling interests also included in the year ended 31 December 2019 and 31 December 2018 relate to an amount equalling 85% of the accumulated profits of Opal Investments LP, which is an investor in the BE V Fund Partnerships. The Opal Investments LP related non-controlling interests were allocated to the equity holders of the Company during the year ended 31 December 2020. 15% of the residual profits are classified as a financial liability payable to a third party.

	Group		
2020	Restated	Restated	Restated
£ 000	2019	2018	2018
£ 000	£ 000	£ 000	£ 000
Non-controlling interest in Opal	-	15,514	12,011
Non-controlling interest in Bridgepoint Group Limited	80,797	75,492	64,380
Total	80,797	91,006	76,391

32 Dividends

The Company paid a dividend to qualifying shareholders of £3.3m in July 2020 and £3.2m in December 2020 (2019: £6.6m) which equates to £2.50 (2019: £2.50) per share. No dividends were paid in 2018.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

33 Reconciliation of operating profit to cash generated from operations

	2020 £ 000	Restated 2019 £ 000	Restated 2018 £ 000
Profit/(loss) for the financial year	42,824	61,408	(2,933)
Tax on profit	466	6,951	10,493
Profits on investments	(20,689)	(50,932)	(22,044)
Interest receivable and similar income	(4,483)	(7,387)	(5,225)
Interest payable and similar expenses	4,301	3,522	3,250
Amortisation of goodwill and intangibles	2,699	-	-
Operating profit/(loss)	25,118	13,562	(16,459)
Depreciation	1,970	1,672	1,545
Foreign exchange (gain)/loss	(8,869)	10,218	1,204
Trade and other receivables	(16,016)	(6,009)	14,030
Trade and other payables	22,439	(24,698)	25,104
Cash flow from operating activities	24,642	(5,255)	25,424

34 Investment commitments

The Group's undrawn capital commitments to the Bridgepoint funds at each period end is shown in the table below. Capital commitments are called over time, typically between one to five years following the subscription of the commitment. Capital commitments are a financial liability, but the Group does not have an obligation to pay cash until the capital is called. Commitments may increase where distributions made by the fund are recallable.

	2020 £ 000	2019 £ 000	2018 £ 000
Private equity funds	135,302	119,852	146,339
Credit funds	27,602	40,981	-
	<u>162,904</u>	<u>160,833</u>	<u>146,339</u>

35 Operating lease commitments

	2020 £ 000	2019 £ 000	2018 £ 000
By due date:			
- within one year	8,805	8,599	8,314
- between two and five years	40,561	51,814	26,773
- after five years	52,055	66,753	2,865
	<u>101,421</u>	<u>127,166</u>	<u>37,952</u>

36 Related party transactions

J R Hughes, a director of the Company, received a loan from a subsidiary company that totalled \$0.8m (£0.6m) at 31 December 2019. The loan was made on arms' length terms. It was repaid in April 2020.

A M Jones, a director of the Company, subscribed to 60,000 A2 shares issued by the Company in January 2019 for consideration of £1 per share.

Certain employees, former employees (including directors), and other participants, invest in CIPs and are entitled to carried interest from the underlying funds managed by the Group. The carried interest represents an investment requiring the participants to put their own capital at risk and the participants who invest in these CIPs pay market value for their interests at the time of investment.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

36 Related party transactions (continued)

Amounts become payable to the carried interest participants over time if and when, specified performance targets are ultimately realised in cash by the funds and paid to the CIPs. The amounts paid to employees, former employees and other participants who had invested in the carried interest, aside from the Group, was £41m, £494m and £56m in each of the years ended 31 December 2020, 2019 and 2018. As the CIPs which are entitled to the carried interest are not consolidated, the amounts of carried interest paid to other participants are not included in the Group's Income Statement.

The Bridgepoint funds are related parties of the Group. Amounts received as fees from the Funds during the year were £167.2m (2019: £167.3m, 2018: £140.2m). £27.7m is included within amounts receivable at year end (2019: £28.8m, 2018: £16.3m).

The Company holds less than 100% of the voting rights in the Bridgepoint Group and as a result the related party exemption under FRS 102 33.1A does not apply. Amounts paid by Bridgepoint Advisers Limited, a subsidiary company, on behalf of the Company during the year were £1.5m (2019: £1.6m, 2018: £6.0m). Amounts owed by the Company at 31 December 2020 are £0.9m (2019: £0.7m, 2018: £5.7m), as disclosed in note 20. The amounts are unsecured, interest free, have no fixed date of repayments, and are payable on demand.

The Group holds 49% of the voting rights within a subsidiary company, Bridgepoint Credit Management Limited and as a result the related party exemption under FRS 102 33.1A does not apply. Bridgepoint Credit Management Limited received £0.8m from other Group entities during the year, of which £0.8m was outstanding at 31 December 2020. The company was not part of the Group in 2019. The amounts are unsecured, interest free, have no fixed date of repayments, and payable on demand.

37 Parent and ultimate controlling party

The Company is owned by a number of private shareholders and companies, none of whom own more than 20% of the issued share capital of the Company. Accordingly, there is no parent entity nor ultimate controlling party.

Atlantic Investments Holdings Limited

Notes to the Financial Statements for the Year Ended 31 December 2020

38 Restated opening balance sheet as at 1 January 2018

	Restated 1 January 2018 £ 000
Fixed assets	
Tangible assets	4,090
Carried interest receivable	2,572
Investments in funds	<u>150,665</u>
	<u>157,327</u>
Current assets	
Debtors	47,515
Cash at bank and in hand	<u>19,065</u>
	<u>66,580</u>
Current liabilities	
Creditors: amounts falling due within one year	(42,636)
Derivative financial liability	<u>(7,902)</u>
	<u>(50,538)</u>
Net current assets	<u>16,042</u>
Total assets less current liabilities	<u>173,369</u>
Non-current liabilities	
Loans and borrowings	(26,155)
Other financial liabilities	<u>(735)</u>
	<u>(26,890)</u>
Net assets	<u>146,479</u>
Capital and reserves	
Called-up share capital	30
Share premium account	3,646
Capital redemption reserve	25
Cash flow hedge reserve	(7,157)
Retained earnings/(Accumulated losses)	<u>145,775</u>
Total shareholders' funds	142,319
Non-controlling interest	<u>4,160</u>
Capital employed	<u>146,479</u>