

Registered number: 02686240

Man Group Holdings Limited
Annual Report and Financial Statements
for the year ended 31 December 2023

Man Group Holdings Limited

Company Information

Directors	F A Davidson M R Grew (resigned 23 March 2023) M A Kasper C N Pyper
Company secretary	R E Sharp E A Woods (appointed 02 May 2023)
Registered number	02686240
Registered office	Riverbank House 2 Swan Lane London EC4R 3AD United Kingdom
Independent auditor	Deloitte LLP 2 New Street Square London EC4A 3BZ United Kingdom

Man Group Holdings Limited

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Man Group Holdings Limited

Strategic Report

For the year ended 31 December 2023

The directors of Man Group Holdings Limited (the "Company") present their Strategic Report, and the audited financial statements of the Company for the year ended 31 December 2023.

Principal activities

During the year there were no significant changes to the principal activities of the Company which consisted of those of an investment holding company.

The results for the year ended 31 December 2023 are set out in the Profit and Loss Account on page 10.

Key performance indicators

The Company's profit before tax, and the net assets as at the Balance Sheet date, demonstrate the Company's performance and position.

Profit before taxation

Profit before taxation has increased by 408% to \$322,949,000 in 2023 from \$63,542,000 in 2022. This is mainly driven by an increase in income from shares in group undertakings and an impairment reversal of the investment in a subsidiary.

Net assets

Net assets have increased by 71% to \$414,963,000 as at 31 December 2023 from \$243,876,000 as at 31 December 2022. This is mainly driven by the capital injection of \$180,000,000 during the year.

Principal risks and uncertainties

The Company operates within a robust risk management framework and the Company's risk profile has not changed materially in the year.

The directors have not identified any market, operational, liquidity and/or climate change risks that are likely to materially impact the performance of the Company in the next year.

The directors will continue to monitor any changes in the operating environment of the Company.

Section 172(1) statement

Under the Companies (Miscellaneous Reporting) Regulations 2018, the Company is required to disclose how its directors have had regard to their duties under section 172(1) (a) to (f) of the Companies Act 2006 ("s.172") during the year.

The directors confirm that during the year ended 31 December 2023, they have acted in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have had regard (amongst other matters) to the matters set out under s.172 including the Company's applicable stakeholders.

The directors are mindful of the Company's purpose and function. Its role is an investment holding company. The Company seeks to further the Group's overall long-term strategy, while also adhering to the policies and procedures comprising the Group's governance framework, and the directors consider that its stakeholders are largely consistent with those identified at Group level, which are discussed in detail within the Stakeholder Engagement section of the Man Group plc 2023 Annual Report. The following key stakeholders have been identified for the Company:

- regulators
- shareholders;
- other Group subsidiaries; and
- business partners and suppliers.

Strategic Report (Continued)

For the year ended 31 December 2023

Section 172(1) statement (continued)

The Group's s.172 statement is integrated across the Governance report of the Group's 2023 Annual Report. The s.172 statement is also available on the Man Group website at www.man.com/regulatory-disclosures.

The Company's Board of directors have the necessary skills and experience required to make decisions on behalf of the Company and identify any potential impacts of their decisions on its stakeholders. The directors take account of the consideration and engagement undertaken at Group level in their decision-making and management of the Company. They believe that s.172 obligations have been considered to an appropriate extent and wish to highlight certain principal decisions taken during the year to illustrate discharge of their s.172 duties.

During the year, the directors approved the entry into a strategic asset management partnership with Fideuram – Intesa Sanpaolo Private Banking and the purchase of a 51% interest in the share capital of Asteria Investment Managers S.A (formerly Asteria Obviam SA) ("Asteria"), an ESG-oriented Swiss asset management company (the "Transaction"). As part of their deliberations, the directors carefully considered the terms of the Transaction and its impact on the Company and the Group as a whole. The directors were also cognisant of the regulatory requirements arising as a result of Asteria's regulated status with the Swiss regulator, FINMA.

The directors also approved the allotment of 1 additional share of \$1.00 to its sole shareholder, Man Worldwide Operations Management Limited, for a subscription price of \$180,000,000 and the subscription of 1 additional share in the capital of its wholly owned subsidiary, Man Investments (Holdings) Netherlands B.V. for a subscription price of EUR 166,975,920.

The directors formally considered and approved an interim dividend payment to its sole shareholder. The directors resolved that the dividends were an efficient use of the Company's capital resources and formed part of the Group's long term capital policy of distributing accumulated retained earnings while maintaining sufficient capital.

Modern Slavery Statement

During the year, the directors approved the Modern Slavery and Transparency Statement (the "Statement") on behalf of the Company pursuant to its commitment to preventing modern slavery within the business and its supply chains. The Statement reflects the policies and controls in place at Group level, which are implemented by the Company. The Statement is reviewed annually by the Board of Man Group plc, following which it is also adopted by the Company.

Non-financial and sustainability information statement

Sections 414C, 414CA and 414CB of Companies Act 2006 require the Company to report on climate-related risk in line with the recommendations of the Climate-related Financial Disclosures ("CFD"). Cognisant of the Company's role within the Group, the directors consider that the climate-related risks and opportunities of the Company are aligned with those of the Group and therefore that the disclosures provided within the Man Group plc Annual Report and financial statements relate to the Company. Accordingly, the climate-related risks and opportunities of the Group, and its arrangements for managing them are set out in the TCFD and Non-financial information statement sections of Man Group plc's 2023 Annual Report, available at www.man.com/investor-relations.

As a result of the above, the directors do not consider that it is necessary for an understanding of the Company's business to include a description of the actual or potential impacts on the business model and strategy or their resilience under different climate related disclosures, or the key performance indicators used at an entity level.

This report was approved by the Board and signed on its behalf.


Michael Kasper (Sep 16, 2024 12:23 GMT+1)

M A Kasper
Director
Date: 16 September 2024

Man Group Holdings Limited

Directors' Report

For the year ended 31 December 2023

The directors present their report, together with the audited financial statements of the Company, for the year ended 31 December 2023.

Dividends

Details of dividends paid during the year are set out in Note 10. The directors do not recommend the payment of a final dividend in respect of the year ended 31 December 2023 (2022: \$NIL).

Directors

The individuals listed within the Company Information section served as directors of the Company for the duration of the year and up to the date of approval of this report, unless otherwise stated.

Qualifying third party indemnity provisions

During the year, the existing and former directors benefitted from a qualifying third-party indemnity provision, and this remains in force at the date of this report. The indemnity is provided by the Company and covers, to the extent permitted by law, any third-party liabilities which directors may incur as a result of their service on the Board. It also extends to directors of other entities within the Group.

Going concern

After making reasonable enquiries the directors have concluded that there is a reasonable expectation that the Company has and will have adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

Future developments

The directors do not expect any development in the Company's business in the current year to be significantly different from its present activities.

Financial instruments

The Company has exposure to market, foreign exchange, liquidity, credit, and interest rate risk. Given the absence of external borrowings for the Company, liquidity risk and interest rate risk are not considered material.

The Company's principal financial assets are amounts due from Group undertakings, and as such, the credit risk is mainly attributable to these balances. The Company recognises a loss allowance for any expected credit losses ("ECL") on its financial assets measured at amortised cost. Foreign exchange and credit risk are monitored on an ongoing basis and there is currently no exposure to significant foreign exchange and/or credit risk.

Employees

The Company has no employees as all staff servicing the Company are employed by another Group subsidiary.

Energy and Carbon Reporting

Under the Streamlined Energy and Carbon Reporting rules as contained in the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (the "LMCGR"), the Company is required to report on carbon emissions and energy use.

The Company is exempt from the reporting requirements as it consumed less than 40,000kWh of energy during the reporting period (para 20D(7)(a), Part 7A, Schedule 7 LMCGR). Accordingly this disclosure has not been presented.

Events after the end of the reporting period

Events affecting the Company which have occurred since 31 December 2023 are disclosed in Note 19 to the financial statements of the Company.

Man Group Holdings Limited

Directors' Report (Continued) **For the year ended 31 December 2023**

Auditor

Deloitte LLP was reappointed as auditor of the Company and the Group for the year ended 31 December 2023. Under section 487(2) of the Companies Act 2006, Deloitte LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.


Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditor is unaware; and,
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.


Michael Kasper (Sep 16, 2024 12:23 GMT+1)

M A Kasper
Director
Date: 16 September 2024

Man Group Holdings Limited

Directors' Responsibilities Statement For the year ended 31 December 2023

The directors are responsible for preparing the Strategic Report, Directors' Report, and 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 elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 101 "Reduced Disclosure Framework".

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. The directors have general responsibility for taking reasonable steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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

Independent Auditor’s Report to the Members of Man Group Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Man Group Holdings Limited (the ‘Company’):

- give a true and fair view of the state of the Company’s affairs as at 31 December 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 “Reduced Disclosure Framework”; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the Profit and Loss Account;
- the Balance Sheet;
- the Statement of Changes in Equity;
- the related notes 1 to 19.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 “Reduced Disclosure Framework” (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council’s (the ‘FRC’s’) Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Independent Auditor's Report to the Members of Man Group Holdings Limited (Continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 auditor's report.

Extent to which the audit was considered capable of detecting irregularities, including fraud

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

We considered the nature of the Company's industry and its control environment, and reviewed the Company's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the Company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the Company operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act 2006 and tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

Independent Auditor's Report to the Members of Man Group Holdings Limited (Continued)

As a result of performing the above, we identified the greatest potential for fraud in the following area, and our specific procedures performed to address it are described below:

- Valuation of subsidiaries involves the selection and application of an appropriate valuation methodology and the use of assumptions which require significant management judgement and therefore there is potential for management bias. As such, valuation of subsidiaries was considered to be a significant audit risk. To respond to this risk, we evaluated significant inputs to the valuations and agreed these to supporting documentation and challenged management around the material unobservable inputs and assumptions within the valuations.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Strategic Report or the Directors' Report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

Independent Auditor's Report to the Members of Man Group Holdings Limited (Continued)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink, appearing to read 'P. van Daesdonk', written in a cursive style.

Peter van Daesdonk (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
London, United Kingdom
Date: 16 September 2024

Man Group Holdings Limited

Profit and Loss Account

For the year ended 31 December 2023

	Note	2023	2022
		\$000	\$000
Administrative expenses		(60)	(26)
Other operating (expense)/income	4	(456)	1,538
Operating (loss)/profit		(516)	1,512
Income from shares in group undertakings	11	270,161	9,273
Impairment of investments in subsidiaries	11	-	(3,812)
Reversal of previously recognised impairment losses	11	48,997	54,866
Gain on disposal of investments	11	-	18
Interest receivable and similar income	5	4,539	1,828
Interest payable and similar expenses	6	(232)	(143)
Profit before tax		322,949	63,542
Tax on profit	9	(862)	(316)
Profit for the financial year attributable to owners of the Company		322,087	63,226

All amounts relate to continuing operations.

There were no recognised gains and losses for the current and prior year other than those included in the Profit and Loss Account and hence a Statement of Comprehensive Income has not been prepared.

The notes on pages 13 to 25 form part of these financial statements.

Man Group Holdings Limited


Balance Sheet

As at 31 December 2023

Registered number: 02686240

	Note	2023 \$000	2022 \$000
Fixed assets			
Investments in subsidiaries	11	<u>413,895</u>	<u>174,761</u>
		413,895	174,761
Current assets			
Debtors	12	<u>12,130</u>	<u>74,206</u>
		12,130	74,206
Current liabilities			
Creditors: amounts falling due within one year	13	<u>(8,290)</u>	<u>(5,091)</u>
		(8,290)	(5,091)
Net current assets		3,840	69,115
Total assets less current liabilities		<u>417,735</u>	<u>243,876</u>
Non-current liabilities			
Creditors: amounts falling due after more than one year	14	<u>(2,772)</u>	<u>-</u>
		414,963	243,876
Net assets		<u>414,963</u>	<u>243,876</u>
Capital and reserves			
Called-up share capital	15	500	500
Share premium account	15	180,000	-
Profit and loss account		<u>234,463</u>	<u>243,376</u>
		<u>414,963</u>	<u>243,876</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:


Michael Kasper (Sep 16, 2024 12:23 GMT+1)

M A Kasper
Director
16 September 2024

The notes on pages 13 to 25 form part of these financial statements.

Man Group Holdings Limited

Statement of Changes in Equity For the year ended 31 December 2023

	Called-up share capital	Share premium account	Profit and loss account	Total equity
	(Note 15)			
	\$000	\$000	\$000	\$000
At 1 January 2022	500	-	180,150	180,650
Profit for the financial year	-	-	63,226	63,226
Total comprehensive income for the year	-	-	63,226	63,226
At 31 December 2022	500	-	243,376	243,876
At 1 January 2023	500	-	243,376	243,876
Profit for the financial year	-	-	322,087	322,087
Total comprehensive income for the year	-	-	322,087	322,087
Issue of share capital (Note 15)	-	180,000	-	180,000
Dividends paid (Note 10)	-	-	(331,000)	(331,000)
At 31 December 2023	500	180,000	234,463	414,963

The notes on pages 13 to 25 form part of these financial statements.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

1. General information

The Company is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The Company was first incorporated on 11 February 1992. The Company's registered office address is stated within the Company information section.

The nature of the Company's operations and its principal activities are set out in the Strategic Report on page 1.

2. Significant accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

2.1 Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 (Financial Reporting Standard 100) issued by the Financial Reporting Council. Accordingly, the Company has prepared the financial statements in line with FRS 101 (Financial Reporting Standard 101) as issued by the Financial Reporting Council and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices.

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, income taxes, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective and related party transactions. Where required, equivalent disclosures are given in the group accounts of Man Group plc.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements as it is a wholly owned subsidiary of Man Group plc. These financial statements present information about the Company as an individual undertaking and not about its group. The Company's ultimate parent undertaking, Man Group plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Man Group plc are prepared in accordance with International Financial Reporting Standards as adopted by the United Kingdom and are publicly available and may be obtained from the address given in Note 18 and on the Man Group website.

The financial statements have been prepared on the historical cost basis as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services.

2.2 Impact of new international reporting standards, amendments and interpretations

There were no new or amendments to existing accounting standards issued by the International Accounting Standards Board ("IASB") that have had a significant impact on these financial statements.

No standards or interpretations issued and not yet effective are expected to have a material impact on the Company's financial statements.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

2. Significant accounting policies (continued)

2.3 Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. Thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Foreign currency

The financial statements are presented in United States Dollars (USD), which is the currency of the primary economic environment in which the Company operates (its functional currency).

Transactions in currencies other than the functional currency are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

2.5 Dividend income

Dividend income from investments in subsidiaries is recognised when the Company's right to receive payment has been established, it is probable that economic benefits will flow to the Company and the amount of revenue can be measured reliably.

In specie distributions of assets other than cash, such as receivables and investments in indirect subsidiaries, are recognised in profit and loss at the fair value of the assets transferred to the Company, unless they represent a recovery of part of the cost of the investment in the subsidiary making the distribution. In this case, the carrying value of the investment in that subsidiary is reallocated to the investment received such that no gain or loss arises on transfer.

2.6 Interest income/(expense)

Interest income/(expense) is recognised using the effective interest rate method. In calculating interest income/(expense), the effective interest rate is applied to the gross carrying amount of the asset, when the asset is not impaired or to the amortised cost of the liability for interest expense. For financial assets that have been impaired after initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer impaired the interest income calculation reverts to the gross carrying amount.

2.7 Other operating expense

Other operating expenses principally comprise expenses relates to foreign exchange gains and losses, gains and losses on investments and other expenses, all of which are recognised as earned/incurred.

2.8 Costs

Costs such as administrative expenses incurred in the operations of the business are recognised as incurred.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

2. Significant accounting policies (continued)

2.9 Taxation

The tax expense for the period comprises current. 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, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Current tax is based on taxable profit for the year. Taxable profit differs from net profit as reported in the Profit and Loss Account because it excludes items of income or expense that are taxable or deductible in other years, in addition to items that are never taxable or deductible.

2.10 Investments

Fixed asset investments, including investments in subsidiaries and associates, are shown at cost less provision for impairment.

2.11 Financial instruments

Financial assets and financial liabilities are recognised in the Company's Balance Sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities

All financial assets and liabilities are recognised and derecognised on a trade date, being the date on which the Company commits to purchase or sell the asset or liability. Financial assets are derecognised only when the contractual rights to the cash flows from the asset have expired or have been transferred and the Company has transferred substantially all the risks and rewards of ownership to another entity. The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. Any gain or loss arising on derecognition of a financial asset or liability is recognised directly in profit or loss.

Financial assets and liabilities are initially measured at fair value, plus transaction costs, except for those financial assets and liabilities classified as at fair value through profit or loss ("FVTPL"), which are initially measured at fair value. Transaction costs of financial assets and liabilities carried at FVTPL are expensed in profit or loss.

The Company's financial assets and liabilities are measured subsequently at amortised cost or at FVTPL depending on the classification of the financial assets and liabilities, with classification determined at the time of initial recognition.

Financial assets and liabilities at amortised cost

Trade and other receivables and trade and other payables are subsequently measured at amortised cost using the effective interest method. Interest income and expense is recognised by applying the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash flows through the expected life of the instrument or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Financial assets and liabilities at FVTPL

Financial assets and liabilities that do not meet the criteria for being measured at amortised cost, are measured at fair value, with gains or losses arising on remeasurement recognised in profit or loss and presented within other operating income in the Profit and Loss Account.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

2. Significant accounting policies (continued)

2.11 Financial Instruments (continued)

Valuation techniques and assumptions applied for the purposes of measuring fair value

The fair values of financial assets and liabilities are determined as follows.

- The fair values of financial assets and liabilities with standard terms and conditions and traded on active liquid markets are determined with reference to quoted market prices.
- The fair values of other financial assets and liabilities (excluding derivative instruments) are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments.
- The fair values of derivative instruments are calculated using observable prices.

Impairment of financial assets

The Company recognises a loss allowance for expected credit losses (“ECL”) on its financial assets measured at amortised cost by applying the simplified approach under IFRS 9. The assessment of the probability of default and loss is based on historical data adjusted by observable data on events that may have a detrimental impact on the estimated future cash flows of the financial asset.

Financial assets are written off when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery. Any subsequent recoveries are recognised in profit or loss.

2.12 Derivative financial instruments

At times, the Company may enter into derivative financial instruments, including foreign exchange forward contracts, to manage its exposure to foreign exchange rate risk and to fair value movements in its current asset investments.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each balance sheet date. The resulting gain or loss is recognised in profit or loss immediately.

A derivative with a positive fair value is recognised as a financial asset whereas a derivative with a negative fair value is recognised as a financial liability.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions, which are reviewed on an ongoing basis, are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The directors have determined that there are no significant areas of judgement that have a material impact on the Company's financial statements.

The following are the critical accounting estimates and assumptions that the directors have made, which have the most significant effect on the amounts recognised in the financial statements.

Impairment of investments in subsidiaries

Determining whether the Company's investments in subsidiaries have been impaired, or whether previous impairment should be reversed, requires estimations of the investments' values in use. The value in use calculations require the Company to estimate the future cash flows expected to arise from the investments and suitable discount rates to calculate present values.

Please refer to note 11 for further information on the impairment and/or impairment reversal of investments in subsidiaries.

Other considerations

The directors have also considered the assumptions used in the assessment for the valuation of contingent consideration relating to the acquisition of Asteria. They have concluded that these assumptions do not have a significant risk of causing a material adjustment to the carrying amounts of the Company's assets or liabilities at the balance sheet date.

The directors have also considered the possible impact of climate change on the estimates and assumptions used in the preparation of the Company's financial statements and have concluded there are no key assumptions concerning the future or other key sources of estimation uncertainty at the reporting date that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

4. Other operating (expense)/income

	2023	2022
	\$000	\$000
Other expense	(28)	-
Net foreign exchange (losses)/gains	(428)	1,538
	<u>(456)</u>	<u>1,538</u>

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

5. Interest receivable and similar income

	2023	2022
	\$000	\$000
Interest receivable from group companies	4,539	1,828
	<u>4,539</u>	<u>1,828</u>

6. Interest payable and similar expenses

	2023	2022
	\$000	\$000
Interest payable to group companies	232	143
	<u>232</u>	<u>143</u>

7. Auditor's remuneration

The Company paid the following amounts to its auditor in respect of the audit of the financial statements of the Company:

	2023	2022
	\$000	\$000
Fees for the audit of the Company	28	26
	<u>28</u>	<u>26</u>

8. Employees and Directors

The Company has no employees which is consistent with the prior year.

The directors of the Company did not receive any remuneration (2022: \$NIL). The directors of the Company were all remunerated by another Group entity for their services to the Group as a whole. It is not practicable to allocate their remuneration between their services as directors of the Company and the remuneration received from employment. The directors receive no incremental emoluments for their services to the Company.

9. Taxation

	2023	2022
	\$000	\$000
Corporation tax		
Current tax on profits for the year	862	316
	<u>862</u>	<u>316</u>
Total current tax	<u>862</u>	<u>316</u>
Total tax expense	<u>862</u>	<u>316</u>

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2022: lower than) the effective rate of corporation tax in the UK of 23.5% (2022: 19%). The differences are explained below:

	2023	2022
	\$000	\$000
Profit before tax	322,949	63,542
Profit multiplied by the effective rate of corporation tax in the UK of 23.5% (2022: 19%)	75,959	12,073
Effects of:		
Income not taxable	(75,097)	(11,757)
Total tax expense	<u>862</u>	<u>316</u>

Factors that may affect future tax charges

As enacted on 10 June 2021, the headline corporation tax rate in the UK increased from 19% to 25% from 1 April 2023.

10. Dividends on equity shares

	2023	2022
	\$000	\$000
Interim dividend for the year ended 31 December 2023 of \$662 (2022: \$nil) per ordinary share	331,000	-
	<u>331,000</u>	<u>-</u>

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

11. Investments

	Investments in subsidiary companies \$000
Cost	
At 1 January 2023	792,346
Additions	190,137
At 31 December 2023	<u>982,483</u>
Accumulated impairment	
At 1 January 2023	617,585
Written back	(48,997)
At 31 December 2023	<u>568,588</u>
Net book value	
At 1 January 2023	<u>174,761</u>
At 31 December 2023	<u>413,895</u>

The investments in subsidiaries are all stated at cost less provision for impairment.

Subsidiary undertakings

Details of the Company's subsidiaries are provided below. The country of operation is the same as the country of incorporation, the year end is 31 December, and percentage holding represents both the percentage held and voting rights.

The discount rates used in calculating the investments in subsidiaries value in use in the current and prior years are those applied in the value in use calculations of the Group's cash generating units, as disclosed in the Group's Annual Report.

In the current year, the Company had an impairment reversal of \$42,120,000 in Man Australia LP as the value of the subsidiary's investment in Man Investments Australia Limited increased (2022: \$54,460,000). The Company also had an impairment reversal of \$6,878,000 in Man Investments (CH) AG as a result of the increase in the value of the subsidiary's share of the Global Sales and Marketing allocation (2022: \$NIL). In the prior year, the Company impaired its investment in Man Investments (CH) AG by \$3,812,000 and had an impairment reversal of \$406,000 in Man Investments (Shanghai) Limited.

During the year, the Company purchased 51% of the issued share capital of Asteria Investment Managers SA for \$10,137,000. This included contingent consideration of \$2,772,000.

The Company also subscribed for 1 additional share in the capital of its wholly owned subsidiary, Man Investments Holdings (Netherlands) B.V. for a subscription price of EUR 166,975,920 (\$180,000,000) during the year.

In the prior year, the Company realised a gain of \$18,000 on the sale of its associate Nephila Holdings Limited ('Nephila'). The sale of Nephila completed in 2018, with the gain recognised in the year relating to residual proceeds due. The Company also increased its investment in GLG Partners Hong Kong Limited by \$1,543,000 in the prior year.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

11. Investments (continued)

In the current year, the Company received dividends of \$9,400,000 from Man Investments Australia Limited, \$255,000,000 from Man Investments Holdings (Netherlands) BV, and \$5,761,000 from Man Investments (Hong Kong) Limited. Total dividend income of \$270,161,000 is reflected as income from shares in group undertakings in the Profit and Loss Account.

In the prior year, the Company received dividends of \$3,100,000 from Man Investments (CH) AG and \$6,173,000 from Man Investments (Hong Kong) Limited. The total dividend of \$9,273,000 is reflected as income from shares in group undertakings in the Profit and Loss Account.

Changes in the assumptions used in calculating the value in use of the Group's cash-generating units may result in a material adjustment to the carrying value of Man Australia LP and Man Investments (CH) AG within the next financial year. Reasonably foreseeable changes in these assumptions would increase or decrease the portion of the previously recognised impairment loss as follows:

At 31 December 2023	Decrease in average annualised growth in AUM		Increase/(decrease) in discount rate (post- tax)		Increase/(decrease) in multiples (post-tax)	
Change in key assumptions	2%	10%	1%	-1%	1x	(1)x
Modelled increase/(decrease) in impairment reversal (\$m)	(2)	(34)	1	(1)	2	(2)

At 31 December 2022	Decrease in average annualised growth in AUM		Increase/(decrease) in discount rate (post- tax)		Increase/(decrease) in multiples (post-tax)	
Change in key assumptions	2%	10%	1%	-1%	1x	(1)x
Modelled increase/(decrease) in impairment reversal (\$m)	(7)	(34)	2	(2)	6	(6)

Company name	Registered address	Direct or indirect	Country of incorporation	Class of shares	Percentage holding %
Asteria Investment Managers SA	Rue de Lausanne 15, 1201 Geneva, Switzerland	Direct	Switzerland	Ordinary	51
Man Australia GP Limited	Riverbank House, 2 Swan Lane, London, EC4R 3AD	Direct	UK	Ordinary	100
Man Australia LP	Level 28, Chifley Tower, 2 Chifley Square, Sydney, NSW 2000	Direct	Australia	Partnership interest	100
Man Investments (CH) AG	Huobstrasse 3, 8808 Pfäffikon SZ	Direct	Switzerland	Ordinary	100
Man Investments (Hong Kong) Limited	Unit 2206-2207, 22/F Man Yee Building, No.68 Des Voeux Road Central	Direct	Hong Kong	Ordinary	100
Man Investments (Shanghai) Limited	Room 1818, Bund Centre, No. 222 Yan An East Road, Shanghai, 200002	Direct	China	Equity interest	100
Man Investments Holdings (Netherlands) B.V.	Beurs – World Trade Center, Beursplein 37, 3011 AA, Rotterdam	Direct	Netherlands	Ordinary	100
GLG Capital Management LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
GLG LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

11. Investments (continued)

Company name	Registered address	Direct or indirect	Country of incorporation	Class of shares	Percentage holding %
GPM Summit Point GP LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Man Global Private Markets (USA) Inc.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100
Man Global Private Markets SLP LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Man Investments AG	Huobstrasse 3, 8808 Pfäffikon SZ	Indirect	Switzerland	Ordinary	100
Man Investments Australia Limited	Level 28, Chifley Tower, 2 Chifley Square, Sydney, NSW 2000	Indirect	Australia	Ordinary	100
Man Investments Finance Inc.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100
Man Investments Holdings Inc	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100
Man Investments Inc.	15 North Mill Street, Nyack, NY 10960, United States	Indirect	US	Ordinary	100
Man Investment Management (Shanghai) Co., Ltd	Room 1817 Bund Centre, No. 222 Yan An East Road, Shanghai, 200002	Indirect	China	Equity interest	100
Man Investments (USA) Corp.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100
Man Investments USA Holdings Inc.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100
Man Solutions LLC (formerly FRM Investment Management (USA) LLC)	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Man Solutions (USA) LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Man Times Square GP LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
Man Times Square Holdings LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
MVH Lending, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
Net Zero Energy SFR GP Inc.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100
Numeric Holdings LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Numeric Investors LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Silvermine Capital Management LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	100
Varagon Capital Access SPV I, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
Varagon Capital Partners Agent, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
Varagon Capital Partners, L.P.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Partnership interest	73.11
Varagon Professionals Fund GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

11. Investments (continued)

Company name	Registered address	Direct or indirect	Country of incorporation	Class of shares	Percentage holding %
VCAP Onshore GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VCAP Offshore GP, S.à.r.l	10, Rue des Capucins, L-1313 Luxembourg	Indirect	Luxembourg	Ordinary	73.11
VCC Advisors, LLC 1	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	50.46
VCDLF SLP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VCN GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VCN, L.P.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Partnership interest	73.11
VCP Holding II GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VCP Holding I GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VIVA Onshore GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VSN Parallel Fund GP, LLC	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Member interest	73.11
VSN Parallel Fund, L.P.	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Partnership interest	73.11

Subsidiaries in liquidation/dissolution

Company name	Registered address	Direct or indirect	Country of incorporation	Class of shares	Percentage holding %
Man Principal Strategies Corp	4001 Kennett Pike, Suite 302, Wilmington DE 19807	Indirect	US	Ordinary	100

Related undertakings other than subsidiaries

Company name	Registered address	Direct or indirect	Country of incorporation	Class of shares	Percentage holding %
PR-Man Summit Point Holdings LP	1209 Orange Street, Wilmington, DE 19801	Indirect	US	Partnership interest	5

1 100% voting rights

2 Interest increased from 73.11% to 73.32% on 29 July 2024

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

12. Debtors

	2023	2022
	\$000	\$000
Amounts owed by group undertakings	12,130	74,206
	<u>12,130</u>	<u>74,206</u>

Included within Amounts owed by group undertakings are derivatives held with other group undertakings of \$2,000 (2022: \$30,000). Refer to Note 16 for further details.

No balances are overdue and, under the expected credit loss model of IFRS 9, no impairment loss has been recognised at 31 December 2023 (2022: \$NIL).

13. Creditors: Amounts falling due within one year

	2023	2022
	\$000	\$000
Amounts owed to group undertakings	7,428	4,775
Corporation tax liability	862	316
	<u>8,290</u>	<u>5,091</u>

Included within Amounts owed to group undertakings are derivatives held with other group undertakings of \$1,392,000 (2022: \$111,000). Refer to Note 16 for further details.

14. Creditors: Amounts falling due after more than one year

	2023	2022
	\$000	\$000
Contingent consideration	2,772	-
	<u>2,772</u>	<u>-</u>

Refer to Note 11 for further details on the contingent consideration.

15. Share capital

	2023	2022
	\$000	\$000
Allotted, called-up and fully-paid		
500,001 (2022: 500,000) ordinary shares of \$1.00 each	500	500

The Company also has in issue two deferred shares with a par value of £1.00 which have been fully paid.

The Company's ordinary and deferred shares carry no right to fixed income.

During the year, the Company approved the allotment of 1 additional share of \$1.00 to its sole shareholder, Man Worldwide Operations Management Limited, for a subscription price of \$180,000,000 comprising par value of \$1.00 and premium of \$179,999,999.00.

Man Group Holdings Limited

Notes to the Financial Statements For the year ended 31 December 2023

16. Financial instruments

Categories of financial instruments at fair value

	2023	2022
	\$000	\$000
Financial assets at fair value		
Fair value through profit and loss – Derivative Instruments	2	30
	<u>2</u>	<u>30</u>
Financial liabilities at fair value		
Fair value through profit and loss – Derivative Instruments	1,392	111
Fair value through profit and loss – Contingent Consideration	2,772	-
	<u>4,164</u>	<u>111</u>
Changes in value of financial instruments at fair value for the year		
Credit/(charge) to the Profit and Loss Account	1,310	(230)
	<u>1,310</u>	<u>(230)</u>

17. Related party transactions

The Company has taken advantage of the exemption under the provisions of FRS 101 from disclosing transactions with other wholly owned Group entities since the Company is a wholly owned subsidiary of Man Group plc, the consolidated financial statements of which are publicly available.

During the year and the preceding year there have been no transactions with related parties other than wholly owned Group entities.

18. Controlling party

In the opinion of the directors, the Company's ultimate parent company and ultimate controlling party is Man Group plc, a company registered in Jersey. The immediate parent undertaking and controlling party is Man Worldwide Operations Management Limited, a company registered in Jersey.

The smallest and largest group of undertakings that prepares consolidated accounts of which the Company is a member is Man Group plc. The financial statements of the Company are available from the Company's registered office address.

The group financial statements of Man Group plc are available from 22 Grenville Street, St Helier, Jersey, JE4 8PX and on the Man Group website.

19. Post balance sheet events

On 13 March 2024, the Company made a capital injection of CHF2,550,000 (\$2,789,324) to Asteria Investment Managers SA.