

## **EIG Pearl Holdings S.à r.l.**

Société à responsabilité limitée

### **Financial Statements**

for the financial period from 21 September 2020 (date of incorporation) to  
30 June 2021

Address of the registered office:

6, rue Eugène Ruppert

L-2453 Luxembourg

R.C.S. Luxembourg: B247.751

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## Audit report

To the Board of Managers of  
**EIG Pearl Holdings S.à r.l.**

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### Our opinion

In our opinion, the accompanying financial statements give a true and fair view of the financial position of EIG Pearl Holdings S.à r.l. (the “Company”) as at 30 June 2021, and of its financial performance and its cash flows for the period from 21 September 2020 (date of incorporation) to 30 June 2021 in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

#### *What we have audited*

The Company’s financial statements comprise:

- the statement of profit or loss for the period from 21 September 2020 (date of incorporation) to 30 June 2021;
- the statement of financial position as at 30 June 2021;
- the statement of changes in equity for the period from 21 September 2020 (date of incorporation) to 30 June 2021;
- the statement of cash flows for the period from 21 September 2020 (date of incorporation) to 30 June 2021; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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### Basis for opinion

We conducted our audit in accordance with the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the “Commission de Surveillance du Secteur Financier” (CSSF). Our responsibilities under the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the “Responsibilities of the “Réviseur d’entreprises agréé” 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.

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements. We have fulfilled our other ethical responsibilities under those ethical requirements.

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### Responsibilities of the Board of Managers for the financial statements

The Board of Managers is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs as adopted by the European Union, and for such internal control as the Board of Managers determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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In preparing the financial statements, the Board of Managers is 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 Board of Managers either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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**Responsibilities of the “Réviseur d’entreprises agréé” for the audit of the financial statements**

The objectives of our audit 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 audit 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 the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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.

As part of an audit in accordance with the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Managers;
- conclude on the appropriateness of the Board of Managers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our audit report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 15 September 2021

Electronically signed by:  
Briec Malherbe

A handwritten signature in blue ink, appearing to read 'BM', is positioned above the printed name.

Briec Malherbe

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**Statement of profit or loss**

<i>in USD</i>	Notes	<b>For the period from 21 September 2020 (date of incorporation) to 30 June 2021</b>
Finance costs	9	(24,870,155)
Net changes in fair value of financial instruments at fair value through profit or loss	7	(1,011,287,885)
Administrative expenses	6	(4,005,544)
Legal fees	6	(4,819,653)
Net foreign exchange loss	8	(1,004)
<b>Result for the period</b>		<b>(1,044,984,241)</b>

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

## Statement of financial position

<i>in USD</i>	Notes	<b>As at 30 June 2021</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Financial assets at fair value through profit or loss	11.1	12,412,445,174
<b>Total non-current assets</b>		<b>12,412,445,174</b>
<b>Current assets</b>		
Cash and cash equivalents	11.2	411,227
<b>Total current assets</b>		<b>411,227</b>
<b>TOTAL ASSETS</b>		<b>12,412,856,401</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholders' equity</b>		
Share capital	12.1	1,000,000
Share premium	12.2	1,894,402,145
Retained earnings		(1,044,984,241)
<b>Total Shareholders' equity</b>		<b>850,417,904</b>
<b>Non-current liabilities</b>		
Financial liability at amortised cost	13.1	10,539,611,552
Financial liabilities at fair value through profit or loss	13.2	1,019,507,320
<b>Total non-current liabilities</b>		<b>11,559,118,872</b>
<b>Current liabilities</b>		
Interest payable on financial liabilities at amortised cost	13.1	3,021,494
Other payables and accruals	13.3	298,131
<b>Total current liabilities</b>		<b>3,319,625</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>12,412,856,401</b>

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

### Statement of changes in equity

<i>in USD</i>	Subscribed capital	Share premium	Retained earnings	Total equity
<b>Balance at 21 September 2021</b>	-	-	-	-
Issue of initial share capital and conversion	14,618	-	-	14,618
Issue of additional share capital and share premium	985,382	1,894,152,145	-	1,895,137,527
Cash contributions to the share premium	-	250,000	-	250,000
<b>Transactions with owners</b>	<b>1,000,000</b>	<b>1,894,402,145</b>	-	<b>1,895,402,145</b>
Result for the period	-	-	(1,044,984,241)	(1,044,984,241)
<b>Total comprehensive loss</b>	-	-	(1,044,984,241)	(1,044,984,241)
<b>Balance at 30 June 2021</b>	<b>1,000,000</b>	<b>1,894,402,145</b>	<b>(1,044,984,241)</b>	<b>850,417,904</b>

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



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**Statement of cash flows**

<i>in USD</i>	Notes	<b>For the period from 21 September 2020 (date of incorporation) to 30 June 2021</b>
<b>Cash flows from operating activities</b>		
Result for the period		(1,044,984,241)
Finance costs	9	13,577,890
Net foreign exchange adjustment		1,004
Net changes in fair value of financial instruments at fair value through profit or loss	7	1,011,287,885
<i>Working capital adjustments</i>		
Increase in other payables and accruals		298,131
<b>Net cash flows used in operating activities</b>		<b>(19,819,331)</b>
<b>Cash flows from investing activities</b>		
Acquisition of investment	11.1	(12,412,445,174)
<b>Net cash flows from investing activities</b>		<b>(12,412,445,174)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	12	1,895,402,145
Proceeds from borrowings	13,14	10,648,020,817
Payment of transaction fees on borrowings	14	(110,746,225)
<b>Net cash flows from financing activities</b>		<b>12,432,676,737</b>
<b>Net increase in cash and cash equivalents</b>		<b>412,232</b>
Cash and cash equivalents at the beginning of the period		-
Exchange losses on cash and cash equivalents		(1,005)
<b>Cash and cash equivalents at the end of the period</b>	11.2	<b>411,227</b>

The accompanying notes are an integral part of these financial statements

## NOTE 1 - GENERAL INFORMATION

EIG Pearl Holdings S.à r.l. (hereafter the "Company") was incorporated on 21 September 2020 and is organised under the laws of Luxembourg as a "Société à responsabilité limitée" for an unlimited period.

The Company is registered with the Trade and Companies Register of Luxembourg with the number B 247.751 and has its registered office established at 6, rue Eugene Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg.

The Company may, either directly or indirectly, carry out any transactions with respect to real estate and movable property, including ships and/or vessels registered in the Grand Duchy of Luxembourg or abroad, including but not limited to the acquisition, management, ownership, disposition, lease and sale of such assets.

The Company may also acquire participations, in Luxembourg or abroad, in any companies or enterprises in any form whatsoever, and the management of those participations. The Company may in particular acquire, by subscription, purchase and exchange or in any other manner, any stock, shares and other participation securities, bonds, debentures, certificates of deposit and other debt instruments and, more generally, any securities and financial instruments issued by any public or private equity. It may participate in the creation, development, management and control of any company or enterprise. Further, it may invest in the acquisition and management of a portfolio of patents or other intellectual property rights of any nature or origin.

The Company may borrow in any form. It may issue notes, bonds and any kind of debt and equity securities. It may lend funds, including, without limitation, the proceeds of any borrowings, to its subsidiaries, affiliated companies and any other companies. It may also give guarantees and pledge, transfer, encumber or otherwise create and grant security over some or all of its assets to guarantee to own obligations and those of any other company, and, generally, for its own benefit and that of any other company or person.

The Company may use any techniques, legal means and instruments to manage its investments efficiently and protect itself against credit risks, currency, exchange exposure, interest rate risks and other risks.

The Company may carry out any commercial, financial or industrial operation and any transaction with respect to real estate or movable property which, directly or indirectly, favours or relates to its corporate object.

The Company was incorporated on 21 September 2020, and the Company's financial year starts on the 1 January and ends on the 31 December of each year. For the purpose of a financial transaction by the management, these financial statements are prepared for the period 21 September 2020 to 30 June 2021 in accordance with applicable legal requirements.

The Company has invested in Aramco Oil Pipelines Company ("AOPC"), a subsidiary of Saudi Arabian Oil Company ("Aramco"), through a purchase of 49% stake in the former's equity interest.

The subsidiary will have rights to 25 years of tariff payments for oil transported through Aramco's crude pipeline network. Aramco, the world's biggest oil producer, will retain ownership of the other 51% of the shares.

These financial statements were authorised for issue by the Board of Managers on 15 September 2021.

## NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

### 2.1 Statement of compliance

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union ("IFRS") and Interpretations of the International Financial Reporting Interpretation Committee ("IFRIC") issued and effective or issued and early adopted as at 30 June 2021.

These financial statements, for the period from 21 September 2020 and ended 30 June 2021 are the first financial statements that the Company has prepared.

## 2.2 Going concern

The Management has made an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

The Board of Managers has assessed the potential economic and financial impact of the COVID19 pandemic on the Company's investment in AOPC, and has determined that COVID19 has had no impact on this investment which was made close to the reporting date 30 June 2021 and the impact (if any) was already considered at the time of making the investment. COVID19 has not had any direct financial impact to assets held at amortized cost.

## 2.3 Basis of preparation

The financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

These financial statements present the statement of cash flows using the indirect method.

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period in which the assumptions changed. The Managers believe that the underlying assumptions are appropriate and that the financial statements therefore present the financial position and its results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 3.

## 2.4 Foreign currency translation

### 2.4.1 Functional and presentation currency

The financial statements are presented in United States Dollars ("USD"), which is also the Company's functional currency as the equity investment, financial liabilities and source of revenue of the Company are denominated in USD. Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates.

### 2.4.2 Foreign currency transactions and balances

Foreign currency transactions are translated into USD using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of profit or loss under 'Net foreign exchange loss'.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined and recognised in the statement of profit or loss under 'Net changes in fair value of financial instruments at fair value through profit or loss'.

## 2.5 Financial assets

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of

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the cash flows.

*Measurement*

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

*Equity instruments*

*Classification and subsequent measurement*

Equity instruments are instruments that meet the definition of equity from the issuer perspective; that is, instruments that do not contain a contractual obligation to pay and that evidence a residual interest in the issuers' net assets. Equity instruments include basic ordinary shares.

The Company held equity shares in associate. An associate is an entity over which the Company has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Where an entity holds 20% or more of the voting power (directly or through subsidiaries) of an investee, it will be presumed the investor has significant influence unless it can be clearly demonstrated that this is not the case. In the case of AOPC, the Company's 49% ownership interest, Board seats and policymaking input confirm that the Company has significant influence, however, it does not have control. With a 51% ownership interest, the majority of the Board seats and existing management in place, Saudi Aramco maintains control of the company.

IAS 28 provides an exemption to utilize FVTPL accounting on an acquisition when the acquirer is considered as "venture capital, mutual funds or similar entities" and is supported by IFRS 9, as long as this election is made at the initial recording. Management believes that it meets the exemption because the investment is managed on a Fair value (FV) basis, the nature of the investments is equity and the expected returns are from FV increase and dividend payments. There is no intent to own/operate the asset for the long term. Influence will only be utilized to the extent necessary to preserve the value of our investment. Additionally, this method will provide the best clarity of the value of the underlying equity investment to the users of our financial statements. Therefore, using FVTPL accounting treatment for AOPC is the best method, as the Company is holding the asset only with the intent to liquidate it in the future.

Gains and losses in equity investments at FVTPL are included as "Net changes in fair value of financial instruments at fair value through profit or loss" in the statement of profit or loss.

*De-recognition*

Financial assets, or a portion thereof, are derecognised when the contractual rights to receive the cash flows from the assets have expired, or when they have been transferred and either (i) the Company transfers substantially all the risk and reward of ownership, or (ii) the Company neither transfers nor retains substantially all the risk and rewards of ownership and the Company has not retained control. The Company may enter into transactions where it retains the contractual rights to receive cash flows from assets but assumes a contractual obligation to pay those cash flows to another entity and transfers substantially all of the risk and rewards. These transactions are accounted for as a 'pass through' transfer that results in de-recognition if the Company:

- i) has no obligation to make payments unless it collects equivalent amounts from the assets;
- ii) is prohibited from selling or pledging the assets; and
- iii) has an obligation to remit any cash it collects from the assets without material delay.

*Cash and cash equivalents*

*Classification and subsequent measurement*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- i) they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows
- ii) the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company's cash and cash equivalents have been classified under this category.

## 2.6 Cash and cash equivalents

In the statement of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statement of financial position, bank overdrafts are shown within borrowings in current liabilities.

## 2.7 Financial liabilities

### Borrowings

#### *Classification and subsequent measurement*

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest rate (“EIR”) method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. The EIR amortisation and commitment fee on the undrawn facility is included in finance costs in the statement of profit or loss. The borrowings have been classified under this category.

#### *De-recognition*

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

#### *Modification to the terms of a financial liability*

When the terms of a borrowing are modified, the Company needs to consider if the modification is qualitatively and/ or quantitatively substantial. A qualitative modification is a substantial change in the terms and conditions of the borrowing such that it requires immediate de-recognition. Quantitatively, a modification to the terms of a borrowing is substantial if the net present value of the cash flows under the modified terms, including any fees paid net of any fees received, and discounted at the original EIR, is a least 10 percent different from the carrying amount of the original debt.

If the modification is non-substantial, a modification gain or loss, which is equal to the difference between the present value of the cash flows under the original and modified terms discounted at the original EIR, is recognised immediately in the profit or loss and amortised over the life of the modified financial liability through the EIR.

If the modification is substantial, the original borrowing is de-recognised, and the new financial liability is recognised.

For financial instruments measured using amortized cost measurement (that is, financial instruments classified as amortized cost and debt financial assets classified as FVTPL), changes to the basis for determining the contractual cash flows required by interest rate benchmark reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognized. Where some or all of a change in the basis for determining the contractual cash flows of a financial asset and liability does not meet the above criteria, the above practical expedient is first applied to the changes required by interest rate benchmark reform, including updating the instrument’s effective interest rate. Any additional changes are accounted for in the normal way (that is, assessed for modification or derecognition, with the resulting modification gain / loss recognised immediately in profit or loss where the instrument is not derecognised).

## 2.8 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

## 2.9 Share premium

Share premium represents the amount by which the proceeds for shares issued exceeded the par value of USD 1 per share.

Proceeds received without the corresponding shares issuance have been included in share premium.

## 2.10 Other payables and accruals

Other payables and accruals are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Other payables and accruals payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

## 2.11 Income tax

### *Current income tax*

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

### *Deferred income tax*

Deferred income tax assets and liabilities are recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- (a) Where the temporary difference arises from the initial recognition of goodwill, or of an asset, or liability in a transaction that is not a business combination that at the time of the transaction affects neither the accounting nor taxable income or loss;
- (b) In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- (c) Deferred tax assets are only recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply to the year when the related asset is realised or the liability is settled, based on tax rate (and tax laws) that have been enacted or substantively enacted at the statement of financial position date.

## 2.12 Fair value estimation

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of financial assets traded in active markets (such as publicly traded derivative and equity securities publicly traded on a stock exchange) are based on quoted market prices at the close of trading on the reporting date.

With respect to investments other than marketable securities, the Company generally fair values each investment using a discounted cash flow method by calculating the net present value of the projected cash flows from the investment over the period the investment is expected to be held. The discount rate applied is based on a risk-adjusted premium which the Company reasonably believes reflects the risk of not achieving a return of capital on the investment within the stated term of the investment. Inherent also in this analysis is the Company's assessment of the probability of a payment default. In determining the appropriate discount rate for each investment, the portfolio company's current and future financial prospects as well as inherent uncertainties in the timing of underlying cash flows and other information deemed pertinent including external engineering reports, comparable transactions and commodity prices are considered.

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Where the date of acquisition of an investment is in close proximity to the fair market value measurement date, the price at which such investment is closed is used as the primary determinant of fair market value.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Refer to Note 3 for further information.

### 2.13 Derivative financial instruments

The Company enters into a derivative financial instrument to manage its exposure to interest rate risk, including interest rate swaps. Derivatives are recognised initially at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in profit or loss immediately under 'Net changes in fair value of financial instruments at fair value through profit or loss'.

During the year, the Company has not designated any derivative as a hedging instrument. Derivatives are only used for economic hedging purposes and not as speculative investments.

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 under 'financial liabilities at fair value through profit or loss'. Derivatives are not offset in the financial statements unless the Company has both legal right and intention to offset. A derivative is presented as a non-current asset or a non-current liability if the remaining maturity of the instrument is more than 12 months and it is not expected to be realised or settled within 12 months.

The swaps cover approximately 100% of the variable loan principal outstanding. The fixed interest rate payable on the swaps is 2.25617%, and the variable rate on the swap for the first interest period is 0.12475%.

The swap contracts require settlement of net interest receivable or payable every 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying loans.

Net interest income/expense on the derivative financial instruments are recognised in profit or loss under 'Finance costs'.

### 2.14 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting used by the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board of Managers of the investment manager that makes strategic decisions.

## **NOTE 3 – CRITICAL ACCOUNTING ESTIMATES, JUDGEMENTS AND ASSUMPTIONS**

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Those estimates and assumptions which entail a significant risk of substantive adjustments in the book value of assets and liabilities over the next 12 months pertain to the following.

In particular, significant areas of estimation, uncertainty, and critical judgments in applying accounting policies (that have the most significant effect on the amount recognised in the financial statements) are as follows:

### 3.1 Fair value of investments

The Company has invested in Aramco Oil Pipelines Company (“AOPC”), a subsidiary of Saudi Arabian Oil Company (“Aramco”), through a purchase of 49% stake in the former’s equity interest. This investment was made on 17 June 2021 at a consideration of USD 12.41 billion, which the Management believes approximates its fair value as at 30 June 2021.

The fair value of investments is determined by using valuation techniques which refer to both observable market data and unobservable inputs. Management considers the following when applying valuation methodologies:

- The likelihood and expected timing of future cash flows on the instrument. These cash flows are usually governed by the terms of the instrument. However, management judgment is required when determining cash flows of equity type investments;
- An appropriate discount rate for the instrument. Management determines the discount rate based on its assessment of the appropriate risk premium for each investment over the appropriate risk-free rate based on the remaining average life of the investment. Where an investment has both a debt and an equity component, separate rates are determined for each component.

The primary Level 3 valuation technique used by Management is the discounted cash flow model. Management views discount rates as the key unobservable input for valuing its investments. The use of unobservable inputs requires a significant degree of judgment. Management assesses the accuracy and reliability of the sources it uses to obtain unobservable inputs.

AOPC was valued using the discounted cash flow method on projected future cash flows. Internally generated estimates on volumes and costs along with contractually agreed upon tariffs determine the subsidiary cash flows which were then used to generate estimated dividends to AOPC.

The fair value hierarchy of financial assets is presented in Note 4.4.

## **NOTE 4 - FINANCIAL RISK MANAGEMENT**

The Company’s activities expose it to a variety of financial risks and those activities involve the analysis, evaluation, acceptance and management of some degree of risk or combination of risks. The Company’s aim is therefore to achieve an appropriate balance between risk and return and minimize potential adverse effects on the Company’s financial performance. The Company’s risk management policies are designed to identify and analyse these risks, to set appropriate risk limits and controls, and to monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Company’s regularly reviews its risk management policies and systems to reflect changes in markets, products and emerging best practices. Financial risk management is carried out by various operating units under policies approved by the Board of Managers.

### 4.1 Market risk

The Company takes on exposure to market risk which is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risks arise from open positions in interest rates, currency and equity products, all of which are exposed to general and specific market movements and changes in the volatility of market prices or prices such as interest rates, credit spreads and foreign exchange rates.

#### *Currency risk*

Foreign exchange risk is the risk that that the fair value of future cash flows of a financial instrument will fluctuate because of changes in foreign exchanges rates. The Company is exposed to currency risk on financial assets and liabilities that are denominated in a currency other than the functional currency, primarily the Euro (“EUR”).



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A 10 percent increase or decrease represents management's assessment of a reasonable possible change in interest rates.

As at 30 June 2021, the currency risk is shown in the table below:

<b>Effect in USD</b>	<b>Movement on EUR/USD exchange rate</b>	
	<b>10%</b>	<b>-10%</b>
<b>Financial assets</b>		
Cash and cash equivalents	1,350	(1,350)
<b>Financial liabilities</b>		
Other payables and accruals	(12,332)	12,332

*Interest rate risk*

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in the market interest rates. The Bridge loan facility bears a floating-rate interest equal to Libor plus a margin, which is reset at specified intervals. During the year, the Libor was at 0.18580%.

A 10 basis point increase or decrease represents management's assessment of a reasonable possible change in interest rates.

A Libor of +/- 0.10% from period end Libor would have the following impact on the current interest expense recorded in statement of profit or loss:

<i>in USD</i>	<b>Movement on Libor</b>	
	<b>As at 30 June 2021</b>	
<b>Effect in USD</b>	<b>0.10%</b>	<b>-0.10%</b>
Interest expense impact	384,512	(384,512)

During the year ended 30 June 2021, the Company entered into interest rate swap agreements to manage its exposure to fluctuations in interest rates with various financial institutions. The fixed interest rate ranged between 2.25617% and 2.35168% and floating rate at 0.12475% for the period ended 30 June 2021.

A 10 basis point increase or decrease represents management's assessment of a reasonable possible change in interest rates.

A +/- 0.10% from period end interest rate would have the following impact on the interest rate swaps recorded in statement of profit or loss and statement of financial position:

<i>in USD</i>	<b>Movement on Libor</b>			
	<b>As at 30 June 2021</b>			
<b>Effect in USD</b>	<b>Notional amounts</b>	<b>Borrowing amount exposure at risk</b>	<b>0.10%</b>	<b>-0.10%</b>
Interest rate swap	10,648,020,817	10,648,020,817		
Interest rate impact	-	-	(182,271,632)	185,736,045

4.2 Credit risk

Credit risk is the risk that counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the Company, resulting in a loss for the Company.

The carrying amount of financial assets represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was as follows:

<i>in USD</i>	<b>As at 30 June 2021</b>
Cash and cash equivalents	411,227
<b>Maximum credit exposure</b>	<b>411,227</b>

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a) Cash and cash equivalents

The credit rating of the Company's banks is as follows:

Long-term/Short-term Counterparty	Societe Generale
Moody's	P-1
Standard & Poor's	A-1
Fitch	F1

Source: <https://investors.societegenerale.com/en/financial-and-non-financial-information/ratings/credit-ratings>., short term

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

#### 4.3 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate cash balances and banking facilities, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The Company has also entered into a Debt Service Reserve Facility ("DSRF") Agreement (note 13.1) to ensure that the company have liquidity to meet its interest payment. The Company will also receive dividends supported by tariff payments to Aramco pipelines that will ensure our ability to manage any liquidity risk.

The following are the contractual maturities of financial liabilities, including contractual future interest payments shown at nominal values as at 30 June 2021 (for details on exact maturity dates please refer to Note 13):

<i>in USD</i>	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 3 and 5 years	More than 5 years
<b>Liabilities</b>					
Financial liabilities at amortised cost	23,939,531	63,330,878	100,689,992	11,092,902,816	-
Financial liabilities at fair value through profit or loss*	-	8,219,435	370,866,019	-	640,421,866
Other payables and accruals	298,131	-	-	-	-
<b>Total liabilities</b>	<b>24,237,662</b>	<b>71,550,313</b>	<b>471,556,011</b>	<b>11,092,902,816</b>	<b>640,421,866</b>

\* Financial liabilities at fair value through profit or loss includes the interest payable on the swap liability of USD 8,219,435 and the fair value of the swap of USD 1,011,287,885.

#### 4.4 Fair value measurement

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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The following table analyses within the fair value hierarchy the Company's financial instruments (by class) measured at fair value as at 30 June 2021:

<i>(in USD)</i>	Level 1	Level 2	Level 3	Total
<i>Financial assets at fair value through profit or loss</i>				
Equity investments	-	-	12,412,445,174	<b>12,412,445,174</b>
<i>Financial liabilities at fair value through profit or loss</i>				
Net changes in fair value of financial instruments at fair value through profit or loss	-	(1,011,287,885)	-	<b>(1,011,287,885)</b>

A 25 basis point increase or decrease represents management's assessment of a reasonable possible change in discount rates.

A +/- 0.25% from period end discount rate would have the following impact on the equity investments recorded in statement of profit or loss and statement of financial position:

<i>in USD</i>		<b>Movement on discount rate</b>		
		<b>As at 30 June 2021</b>		
<b>Effect in USD</b>	<b>Fair value</b>	<b>Discount rate</b>	<b>0.25%</b>	<b>-0.25%</b>
Equity investments	12,412,445,174	5.77%	(355,800,252)	370,717,768

The carrying value of cash and cash equivalents and other payables and accruals are assumed to approximate their fair values, due to their respective short-term nature.

#### **NOTE 5 – ADOPTION OF NEW AND REVISED IFRS**

The Company has adopted all IFRS that are currently applicable and endorsed by the European Union.

At the date of authorisation of these financial statements, the following Standards and Interpretations applicable to the Company which have not been applied in these financial statements were in issue but not yet effective:

- IAS 1 Presentation of Financial Statements – Amendments regarding the classification of Liabilities as Current or Non-current (issued 23 January 2020 and 15 July 2020) effective 1 January 2023;
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (issued on 12 February 2021) effective 1 January 2023;
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (issued on 12 February 2021) effective 1 January 2023;
- IFRS 9, IAS 39 and IFRS 7 - Amendments regarding Interest Rate Benchmark Reform – Phase 2 (issued on 27 August 2020) effective 1 January 2021.

#### **NOTE 6 – ADMINISTRATIVE AND LEGAL EXPENSES**

The Company incurred administrative and legal fees amounting to USD 8,825,197 for the financial period ended 30 June 2021.

The Company is subject to the minimum net wealth tax in Luxembourg. The net wealth tax is presented under administrative expenses.

The Company had no employee during the financial year.

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**NOTE 7 – NET CHANGES IN FAIR VALUE OF FINANCIAL INSTRUMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

**7.1 Investments carried at fair value through profit or loss**

The Company measures the equity securities at fair value through profit or loss. There are no fair value adjustment for the period as the fair value approximates the acquisition price of the investment.

For detailed transactions taking place during 2021, please refer to Note 11.1.

**7.2 Derivatives carried at fair value through profit or loss**

The Company measures the derivative instruments at fair value through profit or loss. Below table shows the details of the interest rate swap as at 30 June 2021.

Counterparty	Nominal amount	Effective date	Maturity date	Fixed rate	Floating rate	Fair value (i)	Net interest on swap arrangement
	<i>(In USD)</i>					<i>(In USD)</i>	<i>(In USD)</i>
<b>Liabilities</b>							
Mizuho Bank, Ltd.	785,470,476	17/06/2021	30/06/2023	2.256170%	0.124750%	(27,256,007)	(604,560)
Mizuho Bank, Ltd.	800,000,000	30/06/2023	30/06/2046	2.256170%	0.124750%	(46,889,958)	-
HSBC Bank Middle East Limited	1,324,095,878	17/06/2021	30/06/2023	2.256170%	0.124750%	(45,946,433)	(1,019,129)
HSBC Bank Middle East Limited	1,348,588,820	30/06/2023	30/06/2046	2.256170%	0.124750%	(79,044,091)	-
BNP Paribas	1,325,185,141	17/06/2021	30/06/2023	2.256170%	0.124750%	(45,984,230)	(1,019,968)
BNP Paribas	1,349,698,233	30/06/2023	30/06/2046	2.256170%	0.124750%	(79,109,117)	-
Citibank, N.A.	532,401,040	17/06/2021	30/06/2023	2.256170%	0.124750%	(18,474,439)	(409,778)
Citibank, N.A.	542,249,321	30/06/2023	30/06/2046	2.256170%	0.124750%	(31,782,560)	-
Standard Chartered Bank	1,064,802,081	17/06/2021	30/06/2023	2.256170%	0.124750%	(36,948,878)	(819,556)
Standard Chartered Bank	1,084,498,643	30/06/2023	30/06/2046	2.256170%	0.124750%	(63,565,120)	-
Société Générale	490,919,047	17/06/2021	30/06/2023	2.256170%	0.124750%	(17,035,004)	(377,850)
Société Générale	500,000,000	30/06/2023	30/06/2046	2.256170%	0.124750%	(29,306,224)	-
MUFG Bank, Ltd.	883,654,285	17/06/2021	30/06/2023	2.256170%	0.124750%	(30,663,008)	(680,131)
MUFG Bank, Ltd.	900,000,000	30/06/2023	30/06/2046	2.256170%	0.124750%	(52,751,203)	-
Natixis	393,525,334	17/06/2021	30/06/2023	2.256170%	0.124750%	(13,655,420)	(302,888)
Natixis	400,804,711	30/06/2023	30/06/2046	2.256170%	0.124750%	(23,492,145)	-
Sumitomo Mitsui Banking Corporation, DIFC Branch- Dubai	690,572,400	17/06/2021	30/06/2023	2.256170%	0.124750%	(23,963,022)	(531,519)
Sumitomo Mitsui Banking Corporation, DIFC Branch- Dubai	703,346,513	30/06/2023	30/06/2046	2.256170%	0.124750%	(41,224,861)	-
First Abu Dhabi Bank PJSC	690,572,400	17/06/2021	30/06/2023	2.256170%	0.124750%	(23,963,022)	(531,519)
First Abu Dhabi Bank PJSC	703,346,513	30/06/2023	30/06/2046	2.256170%	0.124750%	(41,224,861)	-
Abu Dhabi Commercial Bank PJSC (ADCB)	690,572,400	17/06/2021	30/06/2023	2.256170%	0.124750%	(23,963,022)	(531,519)
Abu Dhabi Commercial Bank PJSC (ADCB)	703,346,513	30/06/2023	30/06/2046	2.256170%	0.124750%	(41,224,861)	-
CIB Bank	690,572,400	17/06/2021	30/06/2023	2.256170%	0.124750%	(23,963,022)	(531,519)
CIB Bank	703,346,513	30/06/2023	30/06/2046	2.256170%	0.124750%	(41,224,861)	-
Riyad Bank	393,525,334	17/06/2021	30/06/2023	2.256170%	0.124750%	(13,655,420)	(302,888)
Riyad Bank	400,804,711	30/06/2023	30/06/2046	2.256170%	0.124750%	(23,492,145)	-
J.P. Morgan Chase Bank, N.A.	692,152,601	17/06/2021	30/06/2023	2.351680%	0.124750%	(25,395,092)	(556,611)
J.P. Morgan Chase Bank, N.A.	704,955,943	30/06/2023	30/06/2046	2.351680%	0.124750%	(46,089,859)	-
						<b>(1,011,287,885)</b>	<b>(8,219,435)</b>

#### NOTE 8 – NET FOREIGN EXCHANGE LOSS

The net foreign exchange loss for the financial year ended 30 June 2021 amounts to USD 1,004.

#### NOTE 9 – FINANCE COSTS

<i>in USD</i>	<b>For the period 21 September 2020 to 30 June 2021</b>
<b>Finance costs</b>	
<b>Non-Cash</b>	
- Net interest on swap arrangement	(8,219,435)
- Interest on Bridge loan arrangement	(5,358,455)
	<b>(13,577,890)</b>
<b>Cash</b>	
- Other finance charges	(11,292,265)
	<b>(24,870,155)</b>

Other finance charges include success fee paid to HSBC amounting to USD 11,237,362 and commitment fee paid amounting to USD 54,903 in relation to the Bridge facility.

The interest on Bridge loan arrangement of USD 5,358,455 includes the following items:

<i>in USD</i>	<b>For the period 21 September 2020 to 30 June 2021</b>
<b>Interests on Bridge loan</b>	
- Amortisation of transaction costs	(2,336,960)
- Interest on loan	(3,021,495)
	<b>(5,358,455)</b>

#### NOTE 10 – INCOME TAX EXPENSE

The Company is subject to the current laws and taxes of the Grand Duchy of Luxembourg. There are no current tax paid as there is no dividend and no tax was paid on the transaction fees for the period ended 30 June 2021.

#### NOTE 11 - FINANCIAL ASSETS

The Company holds the following financial assets:

<i>in USD</i>		<b>Balance as at 30 June 2021</b>
<i>Financial assets measured at fair value through profit or loss</i>		
Equity investments	11.1	12,412,445,174
<i>Assets at amortised costs</i>		
Cash and cash equivalents	11.2	411,227
<b>Total</b>		<b>12,412,856,401</b>

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11.1 Financial assets measured at fair value through profit or loss

The Company classifies the investment held directly in Aramco Oil Pipelines Company (“AOPC”) at fair value through profit or loss. AOPC was valued based on the price at which the investment was closed and was used as the primary determinant of fair market value.

As of 30 June 2021, the Company ownership is 49% in AOPC.

The Company’s financial assets are made up of the following:

Name of entity	Address of registered office	% of ownership interest 2021	Nature of relationship	Measurement method	Carrying value (In USD)	Fair value (In USD)
Aramco Oil Pipelines Company (“AOPC”)	P.O. Box 5000.Dhahran, 31311, Saudi Arabia	49%	Associate	Fair value through profit or loss	12,412,445,174	12,412,445,174
					<b>12,412,445,174</b>	<b>12,412,445,174</b>

The movements for the year are as follows:

<i>in USD</i>	AOPC	Total
<b>Balance as at 21 September 2020</b>	-	-
Additions	12,412,445,174	12,412,445,174
Disposals / Transfers	-	-
Fair value adjustments	-	-
<b>Balance as at 30 June 2021</b>	<b>12,412,445,174</b>	<b>12,412,445,174</b>

As of 30 June 2021, the Company has not received any dividend from the associate. In addition, IFRS 12 requires the company to disclose summarised financial information of the associate. However, the associate has not prepared financial statements since its incorporation (05 April 2021). Therefore, the company is not able to disclose the required figures as of 30 June 2021. The first financial statements of the associate will be prepared as of 31 December 2021.

Refer to Note 3 – Critical accounting estimates, judgements and assumptions and note 4.4 for the fair value measurements.

11.2 Cash and cash equivalents

The below figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

<i>in USD</i>	Balance as at 30 June 2021
Cash at bank	411,227
<b>Balances per statement of cash flows</b>	<b>411,227</b>

## NOTE 12 – EQUITY

### 12.1 Share capital

The Company was incorporated on 21 September 2020 with a subscribed capital of USD 14,168 comprising of 14,168 ordinary shares, with a par value of USD 1.00 each and fully paid up.

Subsequently, the share capital of the Company was increased to USD 1,000,000 by the issue of 985,382 shares having nominal value of USD 1.00 each.

As at 30 June 2021, the subscribed capital of the Company amounts to USD 1,000,000 and is represented by 1,000,000 shares, with a par value of USD 1.00 each and fully paid.

### 12.2 Share premium

During the year, the shareholders of the Company made cash contributions to the share premium account for a total amount of USD 250,000 which was recorded as an equity contribution without issuance of shares.

On 14 June 2021, 985,382 shares were issued at a premium of USD 1,894,152,145.

As at 30 June 2021, the share premium of the Company amounts to USD 1,894,402,145.

## NOTE 13 – FINANCIAL LIABILITIES

The Company holds the following financial liabilities:

<i>in USD</i>		<b>Balance as at 30 June 2021</b>
<i>Liabilities at amortised cost</i>		
Financial liability at amortised cost	13.1	10,539,611,552
Interest payable on financial liabilities at amortised cost	13.1	3,021,494
Other payables and accruals	13.3	298,131
<i>Liabilities measured at fair value through profit or loss</i>		
Financial liabilities at fair value through profit or loss	13.2	1,019,507,320
<b>Total financial liabilities</b>		<b>11,562,438,497</b>

### 13.1 Financial liabilities measured at amortised cost – Bridge arrangement

On 30 April 2021, the Company entered into a Bridge Facility Agreement with financial institution lenders (namely BNP Paribas, Citibank, N.A., First Abu Dhabi Bank, HSBC Bank Middle East, JP Morgan Chase Bank, Mizuho Bank, MUFG Bank, Sumitomo Mitsui Banking Corporation and the Hong Kong and Shanghai Banking Corporation Limited). The total facility granted to the Company amounts to USD 10,823,212,526, of which the Company has drawn USD 10,648,020,817 as at 30 June 2021. The maturity date of the bridge arrangement is on 17 June 2026. Interest rate is calculated as LIBOR (based on an Interpolated Screen Rate as defined by Bridge Facility Agreement) plus an applicable margin per annum as defined in the agreement; the interest rate has been set at 0.78580% for the period ended 30 June 2021. The Bridge Facility contains appropriate language in the event that LIBOR becomes unavailable during the term of the facility. The Company is also liable to pay a commitment fee at 0.20% per annum of the undrawn amount from the facility. Accrued interest on the loan is payable on the last day of each interest period. The Company may select an interest period for a loan in the utilisation request for that loan or in a selection notice. In absence of any notice, the interest payment date will be at end of every 3 months. The principal amount of the loan is fully repaid on the maturity date.

The Company has also entered into a Debt Service Reserve Facility (“DSRF”) Agreement in pursuance with the Bridge Facility Agreement, wherein the original lenders have granted to the Company an additional reserve facility USD

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260,000,000. The Company is liable to pay a commitment fee at 0.45% per annum of the undrawn amount from the facility. During the year, the Company has not drawn any amount from this facility.

As at 30 June 2021, the total amount withdrawn amounts to USD 10,648,020,817.

As at 30 June 2021, interests accrued and interest expense on the bridge facility amount to USD 3,021,494.

As at 30 June 2021, commitment fee on the bridge facility and DSRF agreement amounting to USD 54,903 has been expensed to profit or loss.

As at 30 June 2021, the fair value of the bridge facility amounts to USD 10,651,042,311.

13.2 Financial liabilities at fair value through profit or loss

<i>in USD</i>	<b>Balance as at 30 June 2021</b>
Interest rate swap at fair value	1,011,287,885
Interest payable on swap	8,219,435
<b>Total</b>	<b>1,019,507,320</b>
<b>Split as follows:</b>	
Current	-
Non-current	1,019,507,320
<b>Total</b>	<b>1,019,507,320</b>

During the year ended 30 June 2021, the Company entered into interest rate swap agreements to manage its exposure to fluctuations in interest rates with various financial institutions. The fair value loss for the period 30 June 2021 on these derivatives is USD 1,011,287,885. Refer to Note 9 on the interest expense on the swap agreements.

Valuation technique used to value interest rate swaps is the present value of the estimated future cash flows based on the observable yield curves.

As at 30 June 2021, net swap payable related to interest accrued on the interest rate swaps amounting to USD 8,219,435.

Refer to note 4.1 for the interest rate risk and note 4.4 for the fair value measurement and note 7.2 for details on the interest rate swap.

13.3 Other payables and accruals

Other payables and accruals consist of payables related to audit, tax and accounting fees and amount to USD 298,131



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**NOTE 14 – RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

The changes in liabilities arising from financing activities as at 30 June 2021 are as follows:

<i>In USD</i>	Non-cash transactions							
Liabilities	21 September 2020	Financing cash flows (gross)	Payment of transaction fees on borrowings	Repayments of principal and interest	Accrued interests and fees capitalized	Accrued interests - not capitalised	Amortisation of arrangement fees	30 June 2021
Borrowings	-	10,648,020,817	(110,746,225)	-	-	3,021,494	2,336,960	10,542,633,046

**NOTE 15 – RELATED PARTY TRANSACTIONS**

The parent of the Company is EIG Pearl Holdings Parent IV S.à r.l and ultimate shareholder is EIG Asset Management LLC.

The Company did not enter into any significant transactions with related parties outside the normal course of business.

As at 30 June 2021, the Company's accounts have no balances outstanding to or from any related parties.

**NOTE 16 – MANAGERS' REMUNERATION**

There were no Managers' remuneration was paid by the Company during the year.

**NOTE 17 - PROVISIONS, CONTINGENT LIABILITIES AND COMMITMENTS**

The Company had no provisions, contingent liabilities or commitments as at 30 June 2021.

**NOTE 18 – OPERATING SEGMENT**

The Board of Managers is responsible for the Company's entire portfolio and considers the business to have a single operating segment. The Board of Managers' asset allocation decisions are based on a single, integrated investment strategy, and the Company's performance is evaluated on an overall basis.

**NOTE 19 - SUBSEQUENT EVENTS**

There were no significant subsequent events occurred after 30 June 2021.