

## **INDEPENDENT AUDITOR'S REPORT**

To the Goldman, Sachs & Co. Wertpapier GmbH, Frankfurt am Main

### **REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE MANAGEMENT REPORT**

#### **Audit Opinions**

We have audited the annual financial statements of Goldman, Sachs & Co. Wertpapier GmbH, which comprise the balance sheet as at December 31<sup>st</sup>, 2022, the statement of profit and loss, the cash flow statement and the statement of changes in equity, for the financial year from January 1<sup>st</sup>, 2022, to December 31<sup>st</sup>, 2022, and notes to the financial statements, including the presentation of the recognition and measurement policies. In addition, we have audited the management report of Goldman, Sachs & Co. Wertpapier GmbH for the financial year from January 1<sup>st</sup>, 2022, to December 31<sup>st</sup>, 2022.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at December 31<sup>st</sup>, 2022, and of its financial performance for the financial year from January 1<sup>st</sup>, 2022, to December 31<sup>st</sup>, 2022, in compliance with German Legally Required Accounting Principles, and
- the accompanying management report as a whole provides an appropriate view of the Company's position. In all material respects, this management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to § 322 Abs. 3 Satz 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the management report.

## **Basis for the Audit Opinions**

We conducted our audit of the annual financial statements and of the management report in accordance with § 317 HGB and the EU Audit Regulation (No. 537/2014, referred to subsequently as “EU Audit Regulation”) in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the “Auditor’s Responsibilities for the Audit of the Annual Financial Statements and of the Management Report” section of our auditor’s report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2) point (f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and on the management report.

## **Key Audit Matters in the Audit of the Annual Financial Statements**

We determined that there are no key audit matters to be reported in our auditor’s report.

## **Other Information**

The executive directors are responsible for the other information. The other information includes:

- the assurances pursuant to § 264 Abs. 2 S. 3 and § 289 Abs. 1 S. 5 HGB on the annual financial statements and management report

Our audit opinions on the financial statements and on the management report do not cover the other information and, accordingly, we do not express an audit opinion or any other form of audit conclusion thereon.

In connection with our audit, we have the responsibility to read the other information and, in doing so, to assess whether the other information:

- presents material inconsistencies with the financial statements, the management report or our knowledge obtained during the audit, or
- otherwise appear to be materially misstated.

## **Responsibilities of the Executive Directors and the Audit Committee for the Annual Financial Statements and the Management Report**

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the management report.

The audit committee is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the management report.

## **Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Management Report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our audit opinions on the annual financial statements and on the management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the management report, 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 audit opinions. 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 controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 the auditor's report to the related disclosures

in the annual financial statements and in the management report or, if such disclosures are inadequate, to modify our respective audit opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.
- Evaluate the consistency of the management report with the annual financial statements, its conformity with German law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate audit opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

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.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## **OTHER LEGAL AND REGULATORY REQUIREMENTS**

### **Report on the Assurance on the Electronic Rendering, of the Financial Statements and the Management Report, Prepared for Publication Purposes in Accordance with § 317 Abs. 3a HGB**

#### **Assurance Opinion**

We have performed assurance work in accordance with § 317 Abs. 3a HGB to obtain reasonable assurance as to whether the rendering of the financial statements and the management report (hereinafter the "ESEF documents") contained in the electronic file *GS Wertpapier-2022-12-31-DE* (MD5-Hashwert: b720240e950b82e086141da115c21863) and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the financial statements and the management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the financial statements and the management report contained in the electronic file identified above and prepared for publication purposes complies in all material respects with the requirements of § 328 Abs. 1 HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying financial statements and the accompanying management report for the financial year from January 1<sup>st</sup>, 2022, to December 31<sup>st</sup>, 2022, contained in the "Report on the Audit of the Financial Statements and of the Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

#### **Basis for the Assurance Opinion**

We conducted our assurance work on the rendering, of the financial statements and the management report, contained in the file identified above in accordance with § 317 Abs. 3a HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering, of Financial Statements and Management Reports, Prepared for Publication Purposes in accordance with § 317 Abs. 3a HGB (IDW AsS 410) (10.2021) and the International Standard on Assurance Engagements 3000 (Revised)]. Our responsibility in accordance therewith is further described in the "Auditor's Responsibilities for the Assurance Work on the ESEF Documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

## **Responsibilities of the Executive Directors and the Audit Committee for the ESEF Documents**

The executive directors of the company are responsible for the preparation of the ESEF documents with the electronic rendering of the financial statements and the management report in accordance with § 328 Abs. 1 Satz 4 Nr. 1 HGB.

In addition, the executive directors of the company are responsible for such internal controls that they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of § 328 Abs. 1 HGB for the electronic reporting format.

The audit committee is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

## **Auditor's Responsibilities for the Assurance Work on the ESEF Documents**

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of § 328 Abs. 1 HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of § 328 Abs. 1 HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this electronic file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited financial statements and of the audited management report.

## **Further Information pursuant to Article 10 of the EU Audit Regulation**

We were elected as auditor by the general meeting on December 21<sup>st</sup>, 2022. We were engaged by the executive board on September 27<sup>th</sup>, 2022. We have been the auditor of the Goldman, Sachs & Co. Wertpapier GmbH without interruption since the financial year 2021.

We declare that the audit opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 EU Audit Regulation (long-form audit report).

## **OTHER MATTER - USE OF THE AUDITOR'S REPORT**

Our auditor's report must always be read in conjunction with the audited annual financial statements and the audited management report as well as the audited ESEF documents. The annual financial statements and the management report converted to the ESEF format - including the versions to be published in the Federal Gazette - are merely electronic renderings of the audited annual financial statements and the audited management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

## **RESPONSIBLE AUDITOR**

The auditor responsible for the audit is Steffen Neuweiler.

Frankfurt am Main, April 3<sup>rd</sup>, 2023

Mazars GmbH & Co. KG  
Wirtschaftsprüfungsgesellschaft  
Steuerberatungsgesellschaft

Steffen Neuweiler  
Wirtschaftsprüfer  
(German Public Auditor)

Katharina Thomas  
Wirtschaftsprüferin  
(German Public Auditor)





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**Annual Financial Statements  
And Management Report**  
December 31, 2022

Goldman, Sachs & Co. Wertpapier GmbH

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## Business and General Conditions

Goldman, Sachs & Co. Wertpapier GmbH, Frankfurt am Main (hereinafter referred to as "the Company") has been established for the purpose of issuing securities, predominantly warrants, but also certificates and structured bonds. The Company operates its business primarily in Germany, the Netherlands and, to a lesser extent, in other European countries including Austria, Switzerland, Luxembourg, Belgium, France and the United Kingdom.

The securities issued by the Company are sold to Goldman Sachs International, London (hereinafter referred to as "GSI"). For issuances in Germany, Goldman Sachs Bank Europe SE, Frankfurt am Main (hereinafter referred to as "GSBE") acts as the issuing agent and the paying agent, being responsible for the settlement of all products issued by the Company and held in custody by Clearstream Banking Frankfurt. For issuances in Luxembourg, Ireland, and Switzerland, GSI is the issuing agent and the paying agent with the depositary Citibank N.A. (non-UK). For issuances in Netherlands, GSBE is the issuing agent but GSI is the paying agent. The Company arranges hedging transactions with GSI to hedge against any market risk. This places the Company in the position to meet its obligations in accordance with the securities issued.

The purpose of the Company is the issuance of fungible securities and the conduct of associated financial transactions. The Company is neither engaged in banking transactions as defined by Section 1 German Banking Act (Kreditwesengesetz) nor in business operations as defined by Section 34c German Industrial Code (Gewerbeordnung).

On October 1, 2021 the Company entered into an agreement with GSBE and GSI to transfer certain securities issued by the Company to GSBE. In October 2021 GSBE started to issue structured products for retail investors and the Company significantly reduced issuing new structured products for retail investors. As of November 5, 2021, GSBE replaced the Company as the issuer for certain securities previously issued by the Company.

During the financial year, the Company issued a total of 22,745 securities (December 31, 2021: 525,570), a decrease of 96%. The decrease is primarily driven by the transfer of the issuance function for certain products to GSBE as described above. The new issues consist of warrants, certificates and notes with either a pre-defined return ('non-structured products') or a link to one or more reference assets ('structured products') and have a significantly higher average notional per issuance than in the prior year.

All references to 2022 and 2021 refer to the period ended, or the dates, as the context requires, December 31, 2022 and December 31, 2021, respectively. Any reference to a future year refers to a year ending on December 31 of that year. Any statements relating to future periods are subject to a high degree of uncertainty.

## Control System

The Company is integrated into the firmwide control system of The Goldman Sachs Group, Inc. ("GS Group") and performs its business operations in close cooperation particularly with the affiliated companies GSBE and GSI. The issuance volume of the Company is controlled by the GS Group. The Company intends to offer a wide range of products with different payment profiles or combinations of underliers. All planned issuances are required to be in compliance with all regulations.

## Results of Operations

The Company uses distributable profit as key financial performance indicator (KPI). No non-financial indicators are being used.

The distributable profit for the financial year 2022 amounts to EUR 239k (December 31, 2021: EUR 985k) decreasing by 76% compared to the same period in the prior year. The decrease is primarily driven by a fall in the volume of securities issued as a result of the transfer of the securities issuance function to GSBE as discussed above. The Company is reimbursed by GSI for the expenses which arise from the issue of warrants, certificates and structured bonds, plus a mark-up of 5%. Interest income and interest expense, incurred directly as part of the issuance activity, are transferred without a mark up to GSI or reimbursed by GSI.

The net income from reimbursements and expenses related to issuances amount to EUR 208k (December 31, 2021: EUR 1,560k). Other interest and similar income amounted to EUR 34,926k (December 31, 2021: EUR 20,699k). For the most part this relates to interest income on overnight placements with GSI. For the reporting period the increase mainly resulted from an increased average amount placed overnight as well as higher average interest rate.

Interest and similar expenses resulting from cash collateral received amounted to EUR 9,612k (December 31, 2021: nil). Due to negative EUR interest rates during the first seven months of the year, the Company generated an income which is presented as positive interest on cash collateral amounting to EUR 5,536k (December 31, 2021: EUR 9,372k). Additionally, there was

interest expense due to negative interest on cash placements of EUR 132k (December 31, 2021: EUR 115k) during the financial year. This is shown separately in the profit and loss statement as negative interest on cash placement.

Interest income of EUR 34,926k, interest and similar expenses of EUR 9,612k, negative interest on cash placement of EUR 132k and positive interest on cash collateral of EUR 5,536k, which have been directly incurred as part of the Company's issuance activity are paid without a mark-up to GSI or reimbursed by GSI respectively. In the financial year the net amount increased from EUR 30,069k to EUR 30,636k. This increase results from a increased average amount in the overnight placements with GSI, the increased average level of collateral received from GSI as well as the increased average interest rate on the overnight placements and collateral during the year. Other interest and similar income of EUR 34,926k (December 31, 2021: EUR 20,699k) includes EUR 71k (December 31, 2021: EUR 5k) related to the Company's own liquidity which is not included in the reimbursement by GSI.

As the company does not employ personnel, no staff expenses are incurred.

Tax Expenses in the financial year were trade tax of EUR 52k (December 31, 2021: EUR 233k) and corporation income tax and solidarity surcharge of EUR 51k (December 31, 2021: EUR 229k).

Taking into consideration all the circumstances described above, including the transfer of the issuance function, the financial year closed with a positive result and was in line with expectations.

## Net Assets and Financial Position

The balance sheet total of the Company as on December 31, 2022 amounted to EUR 7,888m, an increase of 17% (EUR 1,134m) compared to the balance sheet as at December 31, 2021. The increase is mainly due to an increase in the issued notional (EUR 43m) as well as an increase in liabilities against affiliated companies (EUR 1,091m). The received cash collateral increased to EUR 2,426m (2021: EUR 1,340m). Receivables from affiliated companies increased by EUR 1,085m. Received cash collateral EUR 2,426m as well as free liquidity of EUR 9m (2021: EUR 8m) are placed with GSI. The loan balance as of December 31, 2022 was EUR 2,435m (2021: EUR 1,348m).

Cash at banks increased compared to December 31, 2021 by EUR 484k to EUR 1,094k.

Other accruals of EUR 187k consist of EUR 100k for the audit of the financial statements (2021: EUR 100k) and legal fees of 87k (2021: EUR 51k).

The outstanding issued securities amounting to EUR 5,443m (2021: EUR 5,401m) are reported under the item other liabilities and represent 69% of the total liabilities and shareholder's equity at the end of the financial year. There are other assets of the same amount, as the Company uses the proceeds it receives from the issuance to enter into offsetting hedging transactions.

Shareholder's equity amounts to EUR 9,887k (2021: EUR 9,648k) with the increase due to the net income in the financial year 2022 of EUR 239k.

Cash flows from operating activities have shown an inflow of EUR 1,518k (December 31, 2021: EUR 3,318k). This decrease is related to an increase in unsettled receivables from affiliated companies.

Liquidity is secured due to the business structure, cash at banks as well as the Company's integration in the GS Group. Liquidity shortages are not expected. Additionally, the Company has the option to refinance itself at any given time through the GS Group. The overnight placements and cash collateral received are not subject to fixed interest rates.

## Forecast and Opportunities Report

The Company's results continue to be significantly determined by the agreements regarding reimbursements.

The issuance activity will continue to remain at a low level in 2023. Consequently, profits are expected to remain at a broadly similar level and the Company's profitability is assured. The remaining issuances are expected to generally have higher notionals per issuance.

The Russian invasion of Ukraine in February 2022 has led to significant disruption in financial markets and increased uncertainty in the business environment in which the Company operates. The future impact of the war on the company's operational and financial performance remains difficult to predict at this time. See "Risk Report" for information about the company's exposure to Russia and Ukraine.

## Risk Report

Complete hedging against all market risk is an essential component of the Company's risk strategy and risk management. Therefore, the Company both has no, and intends to not have any, market risk positions from the warrants, certificates and structured bonds issued, as they are hedged by offsetting micro hedging transactions with GSI. The transactions and the

respective hedging transactions are executed at exactly the same time and have specific characteristics to hedge all market risk. The hedging transactions will be adjusted to increases or redemptions of existing tranches of the warrants, certificates and structured bonds issued.

All products issued including the necessary information with regard to quantity, issue price, securities identification number are managed in a database (sub ledger). New issues, returns, investments held to maturity and other changes to the issue volume are settled via a front office system which transfers the data to the sub ledger continuously. All cash flows from the issued products and their micro hedging transactions are mostly reconciled automatically and calculated upon maturity. The remaining cash flows are included in daily reconciliation by the Operations division. Most payments are automatically generated from the Company's sub-ledger. If manual payments are required they are made in accordance with the four-eye principle, i.e. the employee who inputs the payment and the employee who approves the payment are two different individuals. In addition, reconciliation are done daily between the paying agent and Clearstream. Likewise, the accounts relevant to bookkeeping and settlement are subject to daily reconciliation by the Operations division. The Company is integrated in the GS Group's global risk management and therefore takes part in the daily firm-wide automated reconciliation process. The Operations division receives, among other things, daily reconciliation reports in order to clear open positions in a timely manner. The Controllers division also performs reconciliation between products issued and the offsetting hedging transactions to ensure accuracy of data in the general ledger.

The functions of the Controllers and the Operations divisions are performed by employees of GSBE and affiliated companies. The quantitative and qualitative staffing in these divisions is adequate. Depending on their respective area of responsibility, the employees have the required knowledge and experience.

All involved divisions must take on the requirements of the Sarbanes-Oxley Act (SOX) on a quarterly basis. According to article 404, the effectiveness of the internal control systems must be evaluated and the risks and their controls must be assessed. The internal audit division of GS Group is responsible for the periodic review to determine whether the duties of the divisions are properly exercised.

No further interest rate risk exists as the company's interest-bearing receivables and liabilities are all due overnight with no fixed interest rates.

Most default risks (settlement risks) arise on hedging transactions with GSI. As of December 31, 2022 GSI's external ratings for long-term debt were A+ with stable outlook (Standard & Poor's), A1 with stable outlook (Moody's) as well as A+ with stable outlook (Fitch). The issuances of the Company are guaranteed by GS Group or GSI. GS Group's external ratings for long-term debt as of December 31, 2022 are BBB+ with stable outlook (Standard & Poor's), A2 view for stable outlook (Moody's), A with stable outlook (Fitch). The counterparty default risk is considered to be low.

Liquidity risks and risks from cash flow fluctuations are not discernible due to the Company's integration in GS Group.

Comprehensive reconciliation procedures are performed to reduce the level of operational risks. The required documents for issuance are mostly generated automatically. External lawyers are involved in the preparation of securities prospectuses and final terms, if required. Documents and details of issuances are distributed automatically for public distributions and manually for lead order flow to market participants, stock exchanges, clearing systems and the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin). Furthermore, the Company is included in the Group's risk management for operational risks. The Company has no IT systems of its own. The Company uses the systems and standard software of GS Group. Operational risks in processes and IT systems are therefore largely covered by business continuity plans of affiliated companies.

Compared to last year there were no significant changes of risks. From today's point of view there are no risks identified that could reasonably endanger the future existence of the Company.

As of December 31, 2022 there were 92 issued securities with client jurisdiction in Russia including 11 products denominated in RUB. The Company's risk from these positions is limited due to its previously described hedging strategy.

# Interim Financial Statements

GOLDMAN, SACHS & CO. WERTPAPIER GMBH

## Balance Sheet

### Balance Sheet as of December 31, 2022

<i>In € thousands</i>	Note	December 31, 2022	December 31, 2021
<b>Assets</b>			
A. Current assets			
I. Receivables and other assets			
Receivables from affiliated companies	3	2,435,210	1,350,456
Other assets	4	5,451,931	5,402,951
of which at affiliated companies €5,450,104 (2021: €5,401,960)			
of which term of maturity is over one year €4,437,595 (2021: €4,310,352)			
II. Cash at banks		1,094	610
<b>Total assets</b>		<b>7,888,236</b>	<b>6,754,017</b>
<b>Liabilities and Shareholder's equity</b>			
A. Shareholder's equity			
Issued share capital		51	51
Other profit reserves		9,597	8,612
Distributable profit		239	985
B. Accruals	5		
Other accruals		187	242
C. Liabilities			
Liabilities against banks		186	293
of which with affiliated companies €186 (2021: €293)			
of which term of maturity is below one year €186 (2021: €293)			
Liabilities against affiliated companies	6	2,432,377	1,340,944
of which term of maturity is below one year €2,432,377 (2021: €1,340,944)			
Other liabilities	7	5,445,599	5,402,890
of which term of maturity is below one year €1,008,005 (2021: €1,092,538)			
of which term of maturity is over one year €4,437,595 (2021: €4,310,352)			
<b>Total liabilities and shareholder's equity</b>		<b>7,888,236</b>	<b>6,754,017</b>



**Income Statement for the period from January 1, 2022 to December 31, 2022**

<i>In € thousands</i>	Note	Period Ended December	
		2022	2021
1. Income from reimbursements	8	4,378	32,761
2. Expenses related to issuances	9	(4,170)	(31,201)
3. Other operating income	10	52	—
4. Other operating expenses	11	(30,636)	(30,069)
5. Other interest and similar income	12	34,926	20,699
from affiliated companies €34,926 (2021: €20,699)			
6. Interest and similar expenses	13	(9,612)	0
from affiliated companies €9,612 (2021: €nil)			
7. Negative interest on cash placement	14	(132)	(115)
from affiliated companies €132 (2021: €115)			
8. Positive interest on received cash collateral	15	5,536	9,372
from affiliated companies €5,536 (2021: €9,372)			
9. Income taxes	16	(103)	(462)
<b>Income after taxes / Net income for the year</b>		<b>239</b>	<b>985</b>
Profit carried forward from previous year		985	1,612
Allocation to revenue reserves		(985)	(1,612)
<b>Distributable profit</b>	17	<b>239</b>	<b>985</b>

**Cash Flow Statement for the period from January 1, 2022 to December 31, 2022**

<i>In € thousands</i>	Note	Period Ended December	
		2022	2021
1. Net income for the year		239	985
2. Increase / Decrease in accruals		(54)	(100)
3. Increase / Decrease in other assets		(48,981)	1,546,111
4. Increase / Decrease in other receivables		(1,083,720)	(273,217)
5. Increase / Decrease in other liabilities		42,709	(1,548,368)
6. Increase / Decrease in other payables		1,091,325	277,908
7. Cash flows from operating activities		1,518	3,318
8. Cash flows from investing activities		0	0
9. Cash flows from financing activities		0	0
10. Change in cash funds from cash relevant transactions		1,518	3,318
11. Cash funds at the beginning of the period		8,510	5,192
<b>12. Cash funds at the end of the period</b>	18	<b>10,028</b>	<b>8,510</b>



**Statement of Changes in Equity**  
**for the period from January 1, 2022 to December 31, 2022**

<i>In € thousands</i>	Issued share capital	Other profit reserves	Distributable profit	Total equity
As of January 1, 2022	51	8,612	985	9,648
Allocations (+) / Withdrawals (-)	0	985	(985)	0
Distributable profit	0	0	239	239
<b>As of December 31, 2022</b>	<b>51</b>	<b>9,597</b>	<b>239</b>	<b>9,887</b>

**Notes to the Financial Statements****Note 1.****General Information**

The annual financial statements of Goldman Sachs & Co. Wertpapier GmbH, Frankfurt am Main, (hereinafter referred to as GSWP or the company) have been prepared in accordance with the Commercial Code (HGB) and the Act on Limited Liability Companies (GmbHG) as well as the principles of proper bookkeeping. The company is registered under HRB 34439 of the local district court Frankfurt am Main.

The purpose of the company is to issue securities and to carry out financial transactions and auxiliary operations for financial operations. The company does not conduct any banking business within the meaning of Section 1 of the German Banking Act (KWG) and no business within the meaning of Section 34c of HGB.

Goldman, Sachs & Co. Wertpapier GmbH, Frankfurt am Main (hereinafter referred to as "the Company") has been established for the purpose of issuing securities, predominantly warrants, but also certificates and structured bonds.

The Company is a large corporation as defined by Section 267 (3) Clause 2 HGB. The Company prepares a statement of changes in equity as well as a cash flow statement due to its classification as a capital market oriented corporation pursuant to section 264d HGB. Due to the special business operation of the Company and for clarification purposes in the income statement, we used the item "income from reimbursements" instead of "sales revenues" and the item "expenses related to issuances" instead of "cost of materials".

**Note 2.****Accounting and Valuation Methods**

There were no change in the accounting policies applicable to the Company during the year ended December 31, 2022. Receivables from affiliated companies and bank balances were recognized at their nominal value. Other assets are valued at acquisition cost. The valuation is based on the strict lowest value principle. Value adjustments were not required on the balance sheet date.

Potential obligations from the issuances that are recognized under the item other liabilities amount to EUR 5,443m (December 31, 2021: EUR 5,401m) and are hedged by OTC transactions. These are "Perfect Hedges" for which all value determining factors between the underlying and hedging transactions are identical.

Due to the 1:1 hedging strategy, the Company formed valuation units. The valuation units are accounted for using the hedge accounting method (so-called "freezing method"), which means that the accumulated changes in the values of the underlying transactions are defined and compared to the accumulated changes in the values of the hedging transactions. The amount of the hedging transactions is EUR 3,475m (December 31, 2021: EUR 1,679m) and corresponds to the cumulative increase in the market value of the warrants since the start of the hedging relationship. The increase and offsetting change in the market value of the issuances and the hedging transactions is not recognized in the income statement.

The issuances and the hedging transactions concluded by the Company are mostly denominated in EUR. Other currencies in which issuances and hedging transactions were denominated include AUD, CAD, CHF, CZK, GBP, HUF, JPY, NOK, PLN, RUB, USD.

Premiums received or paid for issuances and OTC options remain in other liabilities or other assets until they expire or are exercised, respectively.

Liabilities are stated at their respective settlement amount pursuant to Section 253 (1) HGB. Accruals have been set up at the settlement amount required in accordance with prudent business judgment.

Deferred tax assets and liabilities were not stated on the balance sheet or in the income statement because temporary and quasi-permanent differences between the values stated on the balance sheet and the tax balance sheet did not exist.

Assets and liabilities denominated in foreign currencies are converted to EUR with the group wide FX rates. At a maturity of less than one year, the gains or losses from currency conversion are recognized in other operating income or other operating expenses respectively. Expenses and income are translated at the respective spot rate of the transaction date. Cash at banks also include balances in USD.

The income statement is drawn up using the nature of costs method.

## Notes to the Balance Sheet

### Note 3.

#### Receivables from Affiliated Companies

Receivables from affiliated companies include the term loan to GSI on a 367 days maturity, representing placements of the cash collateral of EUR 2,426m (December 31, 2021: EUR 1,340m) as well as free liquidity of EUR 9m (December 31, 2021: EUR 8m). The cash collateral is reported to the same extent under liabilities against affiliated companies.

### Note 4.

#### Other Assets

Other assets are mainly comprised of the acquisition cost of the hedging instruments in the amount of EUR 5,444m (December 31, 2021: EUR 5,401m). As of December 31, 2022 the book values were as follows:

	Book values in € millions			Total
	Hedging instruments for warrants	Hedging instruments for certificates	Hedging instruments for structured bonds	
Shares	—	2,669	266	2,935
Commodities	46	7	—	53
Futures	11	21	—	32
Indices	21	2,231	84	2,336
Other	8	60	10	78
Exchange rates	—	10	—	10
<b>Total</b>	<b>86</b>	<b>4,998</b>	<b>360</b>	<b>5,444</b>

As per Section 285 No. 19 HGB the fair values of the hedging instruments are determined following the market approach. As of December 31, 2022 the fair values were as follows:

	Fair values in € millions			Total
	Hedging instruments for warrants	Hedging instruments for certificates	Hedging instruments for structured bonds	
Shares	—	3,253	298	3,551
Commodities	50	58	—	108
Futures	19	169	—	188
Indices	58	4,615	131	4,804
Other	12	190	25	227
Exchange rates	—	41	—	41
<b>Total</b>	<b>139</b>	<b>8,326</b>	<b>454</b>	<b>8,919</b>

Furthermore the position of other assets includes tax receivables for corporate income tax, solidarity surcharge and trade tax of EUR 653k for the financial year 2022 and EUR 320k for the financial year 2021, receivables from affiliated companies in the amount of EUR 6,311k (December 31, 2021: EUR 1,819k) and sales tax receivables of EUR 857k (December 31, 2021: EUR 653k).

### Note 5.

#### Accruals

Accruals have been created mainly for expenses for the audit of the Company's financial statements in the amount of EUR 100k (2021: EUR 100k), legal fees EUR 87k (2021: EUR 51k) and litigation fees EUR nil (2021: EUR 74k).

### Note 6.

#### Liabilities against Affiliated Companies

Liabilities against affiliated companies include mainly received cash collateral of EUR 2,426m (December 31, 2021: EUR 1,340m), payable on demand.

**Note 7.**  
**Other Liabilities**

Other liabilities for the most part refer to the proceeds from the warrants, certificates and structured bonds issued.

The issuance volume and quantity as well as the breakdown of maturities of the issued products as of the balance sheet date are set forth below:

	Issuance Volume in € millions				Total
	Number	<1 year	1 – 5 years	>5 years	
<b>Warrants</b>					
Shares	—	—	—	—	—
Commodities	902	43	3	—	46
Futures	625	11	1	—	11
Indices	16	1	21	6	21
Other	8	—	8	—	8
Exchange rates	—	—	—	—	—
<b>Total warrants</b>	<b>1,551</b>	<b>55</b>	<b>31</b>	<b>—</b>	<b>86</b>
<b>Certificates</b>					
Shares	572	349	2,090	229	2,669
Commodities	15	7	—	—	7
Futures	32	5	16	—	21
Indices	579	423	1,559	250	2,232
Other	25	11	49	—	60
Exchange rates	5	—	10	—	10
<b>Total certificates</b>	<b>1,228</b>	<b>795</b>	<b>3,724</b>	<b>479</b>	<b>4,998</b>
<b>Structured bonds</b>					
Shares	64	100	165	—	266
Futures	—	—	—	—	—
Indices	20	47	37	—	84
Other	7	9	1	—	10
Exchange rates	—	—	—	—	—
<b>Total structured bonds</b>	<b>91</b>	<b>157</b>	<b>203</b>	<b>—</b>	<b>359</b>
<b>Total</b>	<b>2,870</b>	<b>1,007</b>	<b>3,958</b>	<b>479</b>	<b>5,443</b>

**Notes to the Income Statement**

**Note 8.**

**Income from Reimbursements**

This item refers to reimbursements of expenses, plus a mark-up of 5 %, which the Company incurred as a result of its issuance activity. The reimbursements are provided by GSI.

**Note 9.**

**Expenses related to Issuances**

This item includes all expenses which were incurred in relation to the issuance of warrants, certificates and structured bonds. This mainly consists of paying agent and issuing agent fee amounting to EUR 3,276k (December 31, 2021: EUR 26,780k) paid to GSI and GSBE, registration fees for issuances of EUR 356k (December 31, 2021: EUR 1,170k), non-recoverable value-added tax of EUR 221k (December 31, 2021: EUR 0k) and legal fees for issuances amounting to EUR 179k (December 31, 2021: EUR 2,912k).

**Note 10.**

**Other Operating Income**

The other operating income comprises of income from currency revaluation of EUR 33k (December 31, 2021: expenses from currency revaluation of EUR 103k).

**Note 11.**

**Other Operating Expenses**

Interest income and interest expense which have been directly incurred as part of the Company's issuance activity are paid without a mark-up to GSI or reimbursed by GSI. For the financial year, the amount paid was EUR 30,636k (December 31, 2021: EUR 29,950k), which is included in other operating expenses.

**Note 12.**

**Other Interest and Similar Income**

Other interest and similar income mainly refers to interest income on placements with GSI of EUR 34,926k (December 31, 2021: EUR 20,699k).

**Note 13.**

**Interest and similar expenses**

Interest and similar expenses mainly refers to interest expense on cash collateral received of EUR 9,612k (December 31, 2021: EUR 0).

**Note 14.**

**Negative Interest on Cash Placement**

During the financial year 2022 the Company incurred EUR 132k (December 31, 2021: EUR 115k) negative interest on cash placement. As a result, the income statement has been adjusted to show this effect separately.

**Note 15.**

**Positive Interest on Cash Collateral**

Due to negative interest rates the Company generated interest income on cash collateral received of EUR 5,536k (December 31, 2021: EUR 9,372k). As a result, the income statement has been amended to show this separately.

**Note 16.**

**Income Taxes**

Income taxes include corporation income tax, solidarity surcharge and trade tax of EUR 103k (December 31, 2021: 462k) for the financial year 2022.

**Note 17.**

**Profit Distribution**

The net income for the financial year 2022 is EUR 239k, which will be transferred to the other profit reserves. The Company is proposing to make a distribution of EUR 7,000k of balance sheet profit subject to shareholders' approval.

**Note 18.**

**Cash Flow Statement**

As a capital market oriented corporation, the Company is required pursuant to Section 264 (1) Clause 2 HGB to prepare a cash flow statement. This cash flow statement is prepared using the indirect method and shows the composition and the net increase/decrease in cash and cash equivalents in the financial year.

There was no change in the definition of cash and cash equivalents compared to the previous period. The cash and cash equivalents shown are not subject to any restrictions on disposal.

For the most part, the cash flow from operating activities refers to payment transactions (cash inflow and outflow) related to the Company's issuance activity. There was no cash flow provided by/used for investing and financing activities during the financial year.

Cash funds consist of cash at banks of EUR 1,094k and placement of the free liquidity with affiliated companies of EUR 8,934k.

**Note 19.**

**Report on Subsequent Events**

There have not been any circumstances after the balance sheet date which were relevant to valuation and which could significantly affect the Company's financial position.

**Notes to the Financial Statements****Note 20.****Other Information****Management**

The table below presents the Management of the Company:

**Name**

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Michael Schmitz, Managing Director - Employee of Goldman Sachs Bank Europe SE

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Management is employed by other entities of the GS Group and receives no remuneration directly from the Company.

**Audit Committee**

The Company has established an audit committee pursuant to section 324 HGB, which currently consists of three members. The audit committee members are employed by other entities of the GS Group and receive no remuneration directly from the Company.

**Consolidated Financial Statements**

The Company's immediate parent undertaking is The Goldman Sachs Group, Inc., a company incorporated in the United States of America.

The ultimate controlling undertaking and the parent company of the smallest and largest group for which consolidated financial statements are prepared is The Goldman Sachs Group, Inc. Copies of its consolidated financial statements, as well as certain regulatory filings, for example Quarterly Reports on Form 10-Q and the Annual Report on Form 10-K, that provide further information about GS Group and its business activities, can be obtained from Investor Relations, 200 West Street, New York, NY 10282, United States of America, GS Group's principal place of business, or at [www.goldmansachs.com/investorrelations](http://www.goldmansachs.com/investorrelations).

**Employees**

The Company has no employees as defined by Section 285 Clause 1 No. 7 HGB.

**Total Auditor's Fee**

The total auditor's fee for the financial year 2022 amounts to EUR 100k (December 31, 2021: EUR 100k). It refers exclusively to audit services.

Frankfurt am Main, March 30, 2023

The Management

Michael Schmitz

