Annual report 2022

Reckitt Benckiser Treasury Services (Nederland) B.V.

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Management Board report

The Company applies the exemption as referred to in Section 2:396(7) of the Dutch Civil Code with respect to the preparation and inclusion of a Management Board report as part of the financial statements. As a result, no Management Board report is prepared.

Financial statements

Balance sheet as at December 31, 2022

(Before profit appropriation)

	Note	December 31, 2022		December 31, 2021	
			£ '000		£ '000
Fixed assets					
Loans to related parties	3.1	1,499,374		1,422,410	
		1,499,374		**1,422,410**	
Current assets					
Other receivables	3.2	5,333		5,058	
Cash and cash equivalents	3.3	-		-	
		5,333		**5,058**	
			1,504,707		**1,427,468**
Shareholders' equity	3.4				
Issued capital		77		84	
Other reserves		-		-	
Unappropriated results (net result for the year)		(30)		(7)	
		47		**77**	
Non-current liabilities	3.1	**1,499,374**		**1,422,410**	
Current liabilities	3.1	**5,286**		**4,981**	
			1,504,707		**1,427,468**

The notes on pages 6 to 19 are an integral part of these financial statements.

Profit and loss account for the year

	Note	2022	2021
		£'000	£'000
Interest income and similar income	3.6	9,484	9,550
Interest expenses and similar expenses	3.6	(9,484)	(9,550)
Currency exchange (loss) / gain	3.6	5	(5)
Net financial result		**5**	**(5)**
Operating expenses	3.7	(42)	(3)
Other non-operating income	3.9	-	-
Other non-operating expenses	3.9	-	-
Result before taxes		**(37)**	**(8)**
Tax on loss	3.11	7	2
Net result		**(30)**	**(6)**

The notes on pages 6 to 19 are an integral part of these financial statements.

Notes to the financial statements

1 General

1.1 Reporting entity and relationship with parent company

Reckitt Benckiser Treasury Services (Nederland) B.V. ('the Company'), having its legal address in Schiphol Boulevard 267, 1118BH Schiphol, is a private limited liability company under Dutch law and is registered as a financial holding company under number 77869540 in the Trade Register.

The Company is a wholly owned subsidiary of Reckitt Benckiser Treasury Services plc. The ultimate parent company is Reckitt Benckiser Group plc in Slough, United Kingdom. The financial information of the Company is included in the consolidated financial statements of Reckitt Benckiser Group plc and available at the company website https://www.reckitt.com and at Companies House in the United Kingdom.

The main activities of the Company consist of Euro borrowing and lending and raising of funds, including the issue of bonds.

The Company has listed bonds on the London Stock Exchange.

1.2 Financial reporting period

These financial statements cover the full year 2022 ending on the balance sheet date of 31 December 2022.

1.3 Basis of preparation

The financial statements of the Company have been prepared in accordance with Title 9, Book 2, of the Dutch Civil Code.

The accounting policies applied for measurement of assets and liabilities and determination of results are based on the historical cost convention, unless otherwise stated in the further accounting principles.

1.4 Going concern

The financial statements of the Company have been prepared on the basis of the going concern assumption.

2 Accounting policies for the measurement of assets and liabilities and the determination of the result

2.1 General

Assets and liabilities are measured at historical cost, unless stated otherwise in the further principles.

An asset is recognised in the balance sheet when it is probable that the expected future economic benefits that are attributable to the asset will flow to the Company and the asset has a cost price or value of which the amount can be measured reliably. Assets that are not recognised in the balance sheet are considered as off-balance sheet assets.

A liability is recognised in the balance sheet when it is expected that the settlement of an existing obligation will result in an outflow of resources embodying economic benefits and the amount necessary to settle this obligation can be measured reliably. Provisions are included in the liabilities of the Company. Liabilities that are not recognised in the balance sheet are considered as off-balance sheet liabilities.

An asset or liability that is recognised in the balance sheet, remains recognised on the balance sheet if a transaction (with respect to the asset or liability) does not lead to a major change in the economic reality with respect to the asset or liability. Such transactions will not result in the recognition of results. When assessing whether there is a significant change in the economic circumstances, the economic benefits and risks that are likely to occur in practice are taken into account. The benefits and risks that are not reasonably expected to occur, are not taken in to account in this assessment.

An asset or liability is no longer recognised in the balance sheet, and thus derecognised, when a transaction results in all or substantially all rights to economic benefits and all or substantially all of the risks related to the asset or liability are transferred to a third party. In such cases, the results of the transaction are directly recognised in the profit and loss account, considering any provisions related to the transaction.

If assets are recognised of which the Company does not have the legal ownership, this fact is being disclosed.

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability arises of which the size can be measured reliably. Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability arises of which the size can be measured with sufficient reliability. Revenues and expenses are allocated to the respective period to which they relate.

2.2 Functional and presentation currency

The financial statements are presented in Pounds Sterling ('£' or 'GBP'), which is the Company's functional currency as the Company operates as an extension of its parent a UK company. All amounts have been rounded to the nearest thousand.

2.3 Use of judgement, estimates and assumptions

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the accounting principles and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Judgement made, estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

The company's management board is of the opinion that there are in addition to the determination of the functional currency of the company and presentation of the loans to related parties as non-current included in note 3.1 no judgements, estimates and assumptions that have significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

2.4 Transactions in foreign currencies

At initial recognition, transactions denominated in a foreign currency are translated into the functional currency of the Company at the exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date into the functional currency at the exchange rate applying on that date. Exchange differences resulting from the settlement of monetary items or resulting from the translation of monetary items denominated in foreign currency, are recognised in profit and loss in the period in which the exchange difference arise.

Non-monetary assets and liabilities denominated in foreign currency that are measured based on historical cost, are translated into the functional currency at the exchange rates at the date of the transactions. Non-monetary assets and liabilities denominated in foreign currencies that are measured at current value, are translated into the functional currency at the exchange rates when the current value is determined. Exchange rate differences that arise from this translation are directly recognised in equity as part of the revaluation reserve.

2.5 Financial instruments

Financial instruments include loans to related parties, other receivables, cash and cash equivalents and (non-) current financial liabilities.

Financial assets and liabilities are recognised in the balance sheet at the moment that the contractual risks or rewards with respect to that financial instrument originate.

Financial instruments are derecognised if a transaction results in a considerate part of the contractual risks or rewards with respect to that financial instrument being transferred to a third party.

Financial instruments (and individual components of financial instruments) are presented in the financial statements in accordance with the economic substance of the contractual terms. Presentation of the financial instruments is based on the individual components of financial instruments as a financial asset, financial liability or equity instrument.

Financial instruments are initially measured at fair value, including discount or premium and directly attributable transaction costs. However, if financial instruments are subsequently measured at fair value through profit and loss, then directly attributable transaction costs are directly recognised in the profit and loss account at the initial recognition.

After initial recognition, financial instruments are valued in the manner described below.

The Company does not use derivative financial instruments (derivatives) and/or hold a trading portfolio. The Company has the following financial instruments: Loans to affiliated companies, other receivables, cash and cash equivalents, non-current liabilities and current liabilities.

Loans to related parties
Loans to affiliated companies are carried at amortised cost on the basis of linear amortisation, less impairment losses. The effective interest and impairment losses, if any, are directly recognised in the profit and loss account.

Other receivables

Other receivables are carried at amortised cost on the basis of linear amortisation, less impairment losses. The effective interest and impairment losses, if any, are directly recognised in the profit and loss account. Purchases and sales of financial assets that belong to the category, loans granted and other receivables are accounted for at the transaction date.

Cash and cash equivalents
Cash and cash equivalents are measured at nominal value. If cash and cash equivalents are not readily available, this fact is taken into account in the measurement. Cash and cash equivalents denominated in foreign currencies are translated at the balance sheet date in the functional currency at the exchange rate ruling at that date. Reference is made to the accounting policies for foreign currencies.

Cash and cash equivalents that are not readily available to the Company within 12 months are presented under financial fixed assets.

Non-current and current liabilities
Non-current and current liabilities are measured after their initial recognition at amortised cost on the basis of the effective interest rate method. The effective interest is directly recorded in the profit and loss account. Redemption payments regarding non-current liabilities that are due next year, are presented under current liabilities.

Impairment of financial assets
Financial assets found not to be individually impaired are collectively assessed for impairment by grouping together receivables with similar risk characteristics. In assessing collective impairment, the Company uses historical trends of the probability of default and the increase of the number of receivables in its portfolio that are past due. The outcome is adjusted when management is of the opinion that current economic and credit conditions are such that it is probable that actual losses will be higher or lower than the historical trends are suggesting.

The carrying amount of receivables is reduced by an allowance for doubtful debts. Receivables that appear to be irrecoverable are written off against the allowance. Other additions to and withdrawals from the allowance are recognised in the profit and loss account.

When, in a subsequent period, the amount of an impairment loss decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the decrease in impairment loss is reversed through profit or loss (up to the amount of the original cost).

Offsetting financial instruments
A financial asset and a financial liability are offset when the entity has a legally enforceable right to set off the financial asset and financial liability and the Company has the firm intention to settle the balance on a net basis, or to settle the asset and the liability simultaneously.

If there is a transfer of a financial asset that does not qualify for derecognition in the balance sheet, the transferred asset and the associated liability are not offset.

2.6 Shareholders' equity

Financial instruments that are designated as equity instruments by virtue of the legal form are presented under shareholders' equity. Payments to holders of these instruments are deducted from the shareholders' equity as part of the profit distribution.

Financial instruments that are designated as a financial liability by virtue of the legal form are presented under liabilities. Interest, dividends, income and expenditure with respect to these financial instruments are recognised in the profit and loss as financial income or expense.

The purchase of own shares is deducted from the other reserves.

2.7 Other reserves

Other reserves consist of the retained income of the company.

2.8 Non-current liabilities

At initial recognition, non-current liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of a liability are included in the initial measurement. After initial recognition, non-current liabilities are measured at amortised cost. If no premium or discount and transaction costs are applicable, the amortised cost is equal to the nominal value of the liability.

2.9 Current liabilities

At initial recognition, current liabilities are measured at fair value. After initial recognition, current liabilities are measured at amortised cost. If no premium or discount and transaction costs are applicable, the amortised cost is equal to the nominal value of the liability.

2.10 Net financial result

Income is recognised in the profit and loss account when an increase in future economic potential related to an increase in an asset or a decrease of a liability arises of which the size can be measured reliably.

Expenses are recognised when a decrease in the economic potential related to a decrease in an asset or an increase of a liability arises of which the size can be measured with sufficient reliability.

Interest income is recognised in the profit and loss account on an accrual basis, using the effective interest rate method. Interest expenses and similar charges are recognised in the period to which they belong. Currency exchange gains and/or losses resulting from the settlement of monetary items, or resulting from the translation of monetary items denominated in foreign currency, are recognised in profit and loss in the period in which the exchange difference arise.

2.11 Corporate income tax

Corporate income tax comprises the current and deferred corporate income tax payable and deductible for the reporting period. Corporate income tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity, or to business combinations.

Current tax comprises the expected tax payable or recoverable on the taxable profit or loss for the financial year, calculated using tax rates enacted or substantively enacted at the reporting date, and any adjustments to tax payable in respect of previous years. The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the Company expects, at the balance sheet date, to realise or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are measured at nominal value.

If the carrying amount of assets and liabilities for financial reporting purposes differ from their values for tax purposes (tax base), this results in temporary differences, refer to the heading 'Deferred tax'.

2.12 Deferred tax

For deductible temporary differences, available tax losses and unused tax credits, a deferred tax asset is recognised, but only to the extent that it is probable that future taxable profits will be available for set-off or compensation. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

For taxable temporary differences, a provision for deferred tax liabilities is recognised.

Deferred tax assets and deferred tax liabilities are offset in the balance sheet if the company has a legally enforceable right to offset current tax assets against current tax liabilities, insofar as they relate to the same financial year and deferred tax assets relate to income taxes levied by the same tax authority on the same taxable Company, or the same fiscal unity.

The measurement of deferred tax liabilities and deferred tax assets is based on the tax consequences following from the manner in which the Company expects, at the balance sheet date, to realise or settle its assets, provisions, debts and accrued liabilities. Deferred tax assets and liabilities are measured at nominal value.

2.13 Cash flow statement

Regarding the cash flow statement, the Company applies the exemption as referred to in RJ 360.104. We therefore refer to the consolidated cash flow statement of our ultimate parent Reckitt Benckiser Group plc, included in the financial statements of Reckitt Benckiser Group plc and available at the company website https://www.reckitt.com and at Companies House in the United Kingdom.

2.14 Related party transactions

Transactions with related parties are assumed when a relationship exists between the Company and a natural person or entity that is affiliated with the Company. This includes, amongst others, the relationship between the Company and its subsidiaries, shareholders, directors and key management personnel. Transactions are transfers of resources, services or obligations, regardless whether anything has been charged.

All transactions with related parties (refer to note 3.12 for the identified related parties) are disclosed, and it is stated if they have not been entered at arm's length. Disclosed are the nature and amounts involved with such transactions, and other information that is deemed necessary for an insight into the transactions.

As part of the Company's operations, the Company has transactions with related parties mainly in relation to the issuance of loans to affiliated companies as well as a guarantee provided by the (ultimate) parent company.

2.15 Subsequent events

Events that provide further information on the actual situation at the balance sheet date and that appear before the financial statements are being prepared, are recognised in the financial statements.

Events that provide no information on the actual situation at the balance sheet date are not recognised in the financial statements. When those events are relevant for the economic decisions of users of the financial statements, the nature and the estimated financial effects of the events are disclosed in the financial statements.

3 Notes to the balance sheet and profit and loss

3.1 Financial instruments, loans to related parties and financial liabilities

General
During the normal course of business, the Company uses various financial instruments that expose it to market, currency, interest, cash flow, credit and liquidity risks. To control these risks, the Company has instituted a policy including a code of conduct and procedures that are intended to limit the risks of unpredictable adverse developments in the financial markets and thus for the financial performance of the Company.

Currency and interest rate risk
The Company is exposed to currency and interest rate risk on borrowings that are denominated in a currency other than the functional currency of the Company. The Company has interest-bearing liabilities and monitors its interest income and expense rate exposure on a regular basis. The Company sets its desired level of fixed exposure as part of its interest risk management strategy for the Group.

In May 2020, the Company issued two €850 million bonds due in full in 2026 and 2030. The funds received from the bonds were immediately lent to the parent company. As such, the Company has external Euro denominated bonds and an equal and opposite intercompany receivable with Reckitt Benckiser Treasury Services plc also denominated in Euro. This gives a natural hedge with both asset and liability retranslated through the profit and loss account. The terms of the intercompany loan receivable mirror those of the bonds issued with similar fixed interest rates and yearly interest payments. Except that the loans are repayable upon demand of the company and can be repaid by the lender based on their discretion with two days' notice for either party. As repayment is not foreseen in the normal operating cycle the loans to related parties have been presented as fixed assets.

Based on a risk assessment management has determined that there are no additional material currency risks which would need to be hedged.

The (fixed) interest percentage on the loan to affiliates amounts to 0.375% on the Loan due in 2026 and 0.750% on the Loan due in 2030. In relation to the debts of the Company, the (fixed) interest percentages on the bond issued amounts to 0.375% on the bond due in 2026 and 0.750% on the bond due in 2030.

The Company did not issue any additional bonds in 2022.

Credit risk
Credit risk arises principally from the loans issued by the Company to related parties. The maximum amount of credit risk that the Company is exposed to is £1,504,616k (2021: £1,427,388k), consisting of the loan and interest receivable from Reckitt Benckiser Treasury Services plc, a related party. The credit risk is concentrated to one counterparty.

Liquidity risk

The Company has bilateral credit facilities with Reckitt Benckiser Treasury Services plc in which all interest payments due are paid. Cash flows on the receiving (interest on the loans from related parties) and paying-end (bond) are set at matching dates to manage the liquidity risk. It is not expected that the Company's future operations may be restricted with regards to liquidity requirements.

Fair value

The fair value of most of the financial instruments recognised on the balance sheet, including loans to related parties, other receivables, cash and cash equivalents and non-current and current liabilities, is approximately equal to their carrying amount except for the loans to related parties and bonds issued. The fair value of the bond due in 2026 amounts to GBP 679 million (2021 – GBP 720 million) and the fair value of the bond due in 2030 amounts to GBP 612 million (2021 –GBP 726 million). The fair value of the loan receivable from related party due in 2026 amounts to GBP 679 million (2021 – GBP 720 million) and the fair value of the loan receivable from related parties due in 2030 amounts to GBP 612 million (2021 – GBP 726 million).

The fair value is determined as the most probable price reasonably obtainable in the market at the balance sheet date and is established on the basis of current prices in an active market. In the absence of current prices in an active market, the price is determined on the basis of various sources of information, such as recent prices in a less active markets or the present value of future cash-flows based on the interest rate that would apply at the balance sheet date for similar loans, including a risk premium for each individual loan.

Fixed Assets – loans to related parties

	December 31, 2022 £'000	**December 31, 2021** £'000
Loan receivable due 2026	749,000	710,172
Loan receivable due 2030	750,374	712,238
Fixed assets	**1,499,374**	**1,422,410**

Movements in the loans to related parties were as follows:

Loans receivable	
	£'000
Carrying amount as at 31 December 2021	**1,422,410**
– Amortisation	1,332
– Difference in foreign currency translation	75,632
Carrying amount as at 31 December 2022	**1,499,374**

Amortisation of loans to related parties is related to amortisation of the loan issuance cost and the result of below par issuance of the respective loans.

Non-current financial liabilities

	December 31, 2022 £'000	December 31, 2021 £'000
Bond due 2026	749,000	710,172
Bond due 2030	750,374	712,238
Non-current liabilities	**1,499,374**	**1,422,410**

Movements in the non-current financial liabilities were as follows:

Bonds

	£'000
Balance as at 31 December 2021	**1,422,410**
– Amortisation	1,332
– Difference in foreign currency translation	75,632
Carrying amount as at 31 December 2022	**1,499,374**

Current financial liabilities

	2022 £'000	2021 £'000
Accrued interest on bonds due 2026	1,747	1,659
Accrued interest on bonds due 2030	3,495	3,319
Amounts owed to Group undertakings	44	3
Current liabilities	**5,286**	**4,981**

Amortisation of loans to related parties is related to the amortisation of the loan issuance cost and the result of the below par issuance of the loans. The amounts owed to group undertakings is due to Reckitt Benckiser Corporate Services Limited.

3.2 *Other receivables*

	December 31, 2022	December 31, 2021
	£'000	£'000
Accrued interest on loan receivable due 2026	1,747	1,659
Accrued interest on loan receivable due 2030	3,495	3,319
Amounts owed from Group undertakings	91	80
Current receivables	**5,333**	**5,058**

Included in the amounts owed from group undertakings is amount of £82k owed from the parent company and £9k owed from Reckitt Benckiser Limited.

3.3 *Cash and cash equivalents*

All cash and cash equivalents are at the Company's free disposal. The total cash and cash equivalents amount to GBP Nil (2021: GBP Nil)

3.4 *Shareholder's equity*

	Issued capital	Other Reserves	Total
	£'000	£'000	£'000
Balance as at 31 December 2021	84	(7)	**77**
Changes in financial year 2022:			
– Result for the year	**-**	(30)	**(30)**
– Retranslation of share capital	5	(5)	**-**
Balance as at 31 December 2022	**89**	**(42)**	**47**

Issued Capital
The authorised share capital consists of 100,000 ordinary shares (2021: same) of EUR 1.0 each totalling to GBP 89k (2021: GBP 84k). The share capital is issued in Euro and has been translated at the GBP rate (0.89) as per financial year end and the resulting foreign currency translation effect has been recognized in the other reserves. The translation reserve amounts to GBP 5k.

Result after tax of the year
The result after tax for 2022 is included in the item undistributed result within equity.

Proposal for result appropriation 2022
The management board proposes, to the General Meeting, to deduct the result for the year from other reserves.

The Company can only make payments to the shareholders and other parties entitled to the distributable profit in so far as (1) the Company can continue to pay its outstanding debts after the distribution (the so-called distribution test), and (2) the shareholders' equity exceeds the legal reserves and statutory reserves under the articles of association to be maintained (the so-called balance sheet test). If not, management of the Company shall not approve the distribution.

3.5 Contingent liabilities and commitments

The Company has no contingent liabilities and commitments as at 31 December 2022.

3.6 Net Financial result

The Company recorded interest income of GBP 9,484k (2021 – GBP9,550k) on the loans to related parties while interest expenses on the bonds issued amounted to GBP 9,484k (2021 – GBP 9,550k). Currency exchange gains and losses resulting from the translation of the loans issued as well as the bonds issued, are recognised in profit and loss for a net gain of GBP 5k (2021 – net loss of GBP 5k).

3.7 Other expenses

Other expenses consist of professional advisor fees incurred during the year.

3.8 Audit Fees

The fees charged by KPMG Accountants N.V. to the Company as referred to in Section 2:382a(1) and (2) of the Dutch Civil Code relating to the audit of the financial statements 2022 amount to GBP 39k (2021: GBP 30k). No other services were performed by KPMG Accountants N.V.

The audit fees are allocated to the period in which the corresponding services have been performed.

3.9 Other non-operating income and expenses

The company did not incur any other non-operating income and expenses in the financial year.

3.10 Wages and salaries – Social security and pension charges

The Company did not have wages and salaries during the year ended as the company does not have any employees in service. The remuneration of the management board of the company for the financial year amounted to GBP nil.

3.11 Tax on result

The Company calculates taxes on its own individual commercial result adjusted for exempt sources of income and non-deductible expenses and any other differences between commercial and tax accounting, at the UK statutory rate of 19%.

	2022	**2021**
Corporation tax	£'000	£'000
Current tax on losses for the financial year	(7)	(2)
Total current tax	(7)	(2)

Reconciliation of tax charge
The tax charge for the year is the same as (2021 – the same as) the standard rate of corporation tax in the UK of 19% (2021 – 19%) as set out below:

	2022	**2021**
	£'000	£'000
Loss before tax	(37)	(8)
Loss multiplied by standard rate of corporation tax in the UK of 19% (2021 – 19%)	(7)	(2)
Total tax income for the year	(7)	(2)

The Company is UK tax resident as it is centrally managed and controlled in the UK. Under the provisions of the UK-Netherlands Double Taxation agreement, the Company is not liable to tax in the Netherlands.

Factors that may affect future tax charges
The standard rate of UK corporation tax for the year ended 31 December 2022 is 19%. The Finance Act 2021 included measures to increase the standard rate of UK corporation tax to 25% with effect from 1 April 2023. Accordingly, this may have an impact on the tax charge of future years. There is no impact of the change in the current period as there is no deferred tax recognised in the company.

3.12 Related party transactions

Transactions with related parties occur when relationships exists between the Company, other Reckitt Group companies, joint ventures or associates, shareholders and key management personnel. The balances with related parties consisted of the following:

Related party Loan receivable

i. The Company issued two fixed Bonds of Euro 850 million each and provided all proceeds as a loan to the related party, Reckitt Benckiser Treasury Services plc. The repayment terms mirror those of the Bonds issued. The bonds are guaranteed in full and unconditionally by Reckitt Benckiser Group plc and Reckitt Benckiser Treasury plc.
ii. The Loans to related parties attract a fixed interest income. The Company recorded interest income of GBP 9,484k during the year and this amount is reflected both in the profit and loss account and the amounts receivable as at 31 December 2022 as presented above in the Note 3.1.

The loans are guaranteed in full by Reckitt Benckiser Group plc.

The Company has a receivable of £9k from Reckitt Benckiser Limited in relation to current corporate tax recoverable.

There were no transactions with related parties that were not entered into on a commercial basis.

3.13 Subsequent events

No material subsequent events have occurred.

Amsterdam, 31 May 2023

[redacted]

Director
J.C. Dixon

[redacted]

Director
A. Rowlands

Director
J. Carr

Other Information

Auditor's report
The auditor's report is set forth on the next page.

Provisions in the Articles of Association governing the profit appropriation
Under article 17 of the Company's Articles of Association, the authority to decide over the allocation of profits determined by the adoption of the annual accounts and to make distributions is vested in the General Meeting, with due observance of the limitations prescribed by law.

The authority of the General Meeting to make distributions applies to both distributions at the expense of non-appropriated profits and distributions at the expense of any reserves, and to both distributions on the occasion of the adoption of the annual accounts and interim distributions.

A resolution to make a distribution will not be effective until approved by the Management Board. The Management Board may only refuse to grant such approval if it knows or reasonably should foresee that after the distribution the Company would not be able to continue to pay its debts as they fall due.