

Company Number : 00078026

# **IMPERIAL TOBACCO OVERSEAS LIMITED**

## **Annual Report and Financial Statements**

**For the year ended 30 September 2019**

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# IMPERIAL TOBACCO OVERSEAS LIMITED

## Company Information

### Directors

J M Downing  
T R W Tildesley  
M A Wall  
T M Williams

### Company Secretary

G P Bonnar

00078026

### Registered Office

121 Winterstoke Road  
Bristol  
BS3 2LL

### Independent Auditors

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
2 Glass Wharf  
Bristol  
BS2 0FR

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Strategic Report

The Directors present their Strategic Report together with the Directors' Report and audited financial statements of Imperial Tobacco Overseas Limited (the Company) for the year ended 30 September 2019.

### Review of the business

The principal activity of the Company continued to be that of holding investments.

The Company is a wholly owned indirect subsidiary of Imperial Brands PLC, which is the ultimate parent company within the Group, and the Directors of the Group manage operations at a Group level. For this reason, the Company's Directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of the Company. The development, performance and position of the Group's UK operations, which include the Company, are discussed in the Group's Annual Report which does not form part of this report, but is available at [www.imperialbrandspc.com](http://www.imperialbrandspc.com).

In addition, the Directors of the Group manage the Group's risks at a Group level, rather than at an individual entity level. For this reason, the Company's Directors believe that a discussion of the Group's risks would not be appropriate for an understanding of the development, performance or position of the business of the Company. The principal risks and uncertainties of the Group, which include those of the Company, are discussed in the Group's Annual Report, which does not form part of this report.

In the normal course of business, the Group is exposed to market, liquidity and credit risk. The financial risk management policy is discussed in the Financial Risk Factors section of the Group's Annual Report, which does not form part of this report.

The subsidiaries of the Company are shown at the end of this report.

### Financial results

The results for the Company show loss for the financial year of £15,643 thousand (2018: profit of £1,875,495 thousand), and total equity at 30 September 2019 of £4,127,314 thousand (2018: £4,142,957 thousand).

The Directors do not propose a final dividend (2018: £nil).

The aggregate dividends on the ordinary shares recognised a change to the Statement of Changes in Equity during the year amounts to £nil thousand (2018: £12,400,000 thousand)

### Future Developments

This year end financial position was considered satisfactory and the Directors expect that the present level of activity will be sustained for the foreseeable future.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Strategic Report

### Brexit

The UK formally exited from the European Union on 31 January 2020, and entered into a transition trading arrangement until 31 December 2020. The Company has looked into the potential impacts of different trading arrangements that may exist after the transition arrangements expire. The key risks that have been identified include potential increase in import duties and impact on UK customers; additional risk of tobacco smuggling, inventory requirements to ensure supply and impact on consumer confidence.

### COVID-19

In March 2020 the Imperial Brands Group was impacted by the global Coronavirus (Covid-19) pandemic, which resulted in unprecedented government restrictions on the normal operations of the Group across many countries. The restrictions put in place initially resulted in a number of office and factory closures. The Group has responded by adapting working practices through activities such as strengthening our IT infrastructure and accelerating the roll-out of software to facilitate remote team-working, as well as encouraging a more flexible approach. There have been modifications to working practices including changing shift patterns to ensure appropriate infection controls and social distancing for employees in manufacturing facilities. As a result of this, manufacturing plants have continued to operate and the Group is able to both produce and distribute product to customers to meet demand, while complying with all necessary safety precautions to protect staff and business partners from the risks arising from the pandemic.

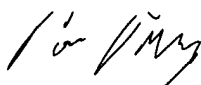
As the pandemic commenced in 2020 this represents a non adjusting post balance sheet event with regards to the financial statements of the Company for the year ending 30 September 2019.

As the Company's principal activity is that of holding investments in other group companies, the Company's operations themselves have not been significantly impacted by the Covid 19 pandemic. The Company is not aware of any post year end impairments to its investments specifically associated with the impact of the pandemic.

### Employees

The Company does not have any employees.

On behalf of the Board



T R W Tildesley  
Director  
15 June 2020

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Directors' Report

The Directors submit their report together with the Strategic Report and audited financial statements of the Company for the year to 30 September 2019.

### Future developments and going concern

Future Developments are set out in the Strategic Report.

The Directors are satisfied that the Company has adequate resources to meet its operational needs for the foreseeable future and accordingly they continue to adopt the going concern basis in preparing the financial statements. The Directors of the Company have assurances of unconditional committed financial support from Imperial Brands PLC, the ultimate parent company, and that this will continue for at least 12 months from the date of signing of the financial statements.

### Financial risk management policy

Financial risk management policies are detailed in the Strategic Report.

### Share capital

Details of the Company's share capital are shown in note 14 to the financial statements.

### Dividends

As set out in the Strategic Report, the Directors do not propose a final dividend (2018: none). Interim dividends of £nil per ordinary share (2018: £11.02) amounting to £nil thousand (2018: £12,400,000 thousand) have been paid during the year.

### Qualifying third party indemnity provisions

Imperial Brands PLC has purchased Directors' and Officers' liability insurance that has been in force during the financial year and is currently in force at the date of approval of these financial statements. The Directors of the Company have the benefit of this insurance, which is a qualifying third party indemnity provision as defined by the Companies Act 2006.

### Directors

The Directors of the Company who were in office during the year, and up to the date of signing the financial statements, are detailed below.

J M Downing  
T R W Tildesley  
M A Wall  
T M Williams

### Employees

The Company does not have any employees.

### Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law).

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Directors' Report

### Statement of Directors' responsibilities in respect of the financial statements (continued)

Under Company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

### *Directors' confirmations*

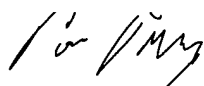
In the case of each Director in office at the date the Directors' Report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Company's Auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Company's Auditors are aware of that information.

### **Independent Auditors**

A decision to tender the audit was made by the Board of Imperial Brands PLC and due to the length of its tenure our auditor PricewaterhouseCoopers LLP was not invited to participate. In February 2019 the Board of Imperial Brands PLC made a decision to appoint Ernst & Young as auditor. PricewaterhouseCoopers LLP will resign following the completion of the audit of these financial statements allowing the new auditor to be appointed.

On behalf of the Board



T R W Tildesley  
Director  
15 June 2020

# IMPERIAL TOBACCO OVERSEAS LIMITED

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMPERIAL TOBACCO OVERSEAS LIMITED

### Report on the audit of the financial statements

#### Opinion

In our opinion, Imperial Tobacco Overseas Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 September 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 September 2019; the income statement, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Independence

We remained independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the Directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The Directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

## IMPERIAL TOBACCO OVERSEAS LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMPERIAL TOBACCO OVERSEAS LIMITED

#### **Report on the audit of the financial statements (continued)**

##### **Reporting on other information (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

##### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the year ended 30 September 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

##### **Responsibilities for the financial statements and the audit**

##### *Responsibilities of the Directors for the financial statements*

As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements set out on pages 4-5, the Directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The Directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

##### *Auditors' responsibilities for the audit of the financial statements*

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.



## **IMPERIAL TOBACCO OVERSEAS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IMPERIAL TOBACCO OVERSEAS LIMITED**

#### **Report on the audit of the financial statements (continued)**

##### *Use of this report*

This report, including the opinions, has been prepared for and only for the Company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

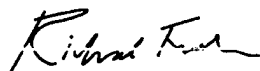
#### **Other required reporting**

##### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.



**Richard French (Senior Statutory Auditor)**  
**for and on behalf of PricewaterhouseCoopers LLP**  
**Chartered Accountants and Statutory Auditors**  
**Bristol**  
**15 June 2020**

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Income Statement

For the year ended 30 September

(In £ thousand)	Note	2019	2018
Administrative expenses		-	(110)
<b>Operating profit / (loss)</b>	3	-	(110)
Income from shares in group undertakings		-	10,409,928
Amounts written off investments	5	(23,435)	(8,537,226)
Loss on disposal of investments	6	-	(5,701)
Finance income	7	7,792	30,571
Finance costs	8	-	(21,967)
Net finance income		7,792	8,604
<b>(Loss)/profit before taxation</b>		(15,643)	1,875,495
Tax on (loss)/profit	9	-	-
<b>(Loss)/profit for the financial year</b>		(15,643)	1,875,495

The Company has no other comprehensive income or expense other than that included above and, therefore, no separate Statement of Comprehensive Income has been prepared.

# IMPERIAL TOBACCO OVERSEAS LIMITED

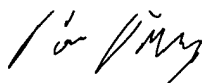
## Balance Sheet

At 30 September

(In £ thousand)	Note	2019	2018
<b>Fixed assets</b>			
Investments	11	3,392,619	3,416,054
<b>Current assets</b>			
Debtors: amounts falling due within one year	12	740,399	732,607
Creditors: amounts falling due within one year	13	(5,704)	(5,704)
<b>Net current assets</b>		<b>734,695</b>	<b>726,903</b>
<b>Total assets less current liabilities</b>		<b>4,127,314</b>	<b>4,142,957</b>
<b>Net assets</b>		<b>4,127,314</b>	<b>4,142,957</b>
<b>Equity</b>			
Called up share capital	14	932,103	932,103
Capital reserves		1,155,944	1,155,944
Retained earnings		2,039,267	2,054,910
<b>Total equity</b>		<b>4,127,314</b>	<b>4,142,957</b>

The notes on pages 12 to 28 are an integral part of these financial statements.

The financial statements on pages 9 to 28 were approved by the Board of Directors on 15 June 2020 and signed on its behalf by:



**T R W Tildesley**  
Director

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Statement of Changes in Equity

For the year ended 30 September

(In £ thousand)	Called up share capital	Share premium account	Capital reserves	Retained earnings	Total equity
At 1 October 2018	932,103	-	1,155,944	2,054,910	4,142,957
Loss for the financial year	-	-	-	(15,643)	(15,643)
	932,103	-	1,155,944	2,039,267	4,127,314
At 1 October 2017	932,103	13,555,944	-	179,415	14,667,462
Profit for the financial year	-	-	-	1,875,495	1,875,495
Transactions with owners					
Reduction of share premium	-	(13,555,944)	13,555,944	-	-
Dividends paid	-	-	(12,400,000)	-	(12,400,000)
At 30 September 2018	932,103	-	1,155,944	2,054,910	4,142,957

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 1. Authorisation of financial statements and statement of compliance with FRS101

The financial statements of the Company for the year ended 30 September 2019 were authorised for issue by the board of directors on 15 June 2020, and the balance sheet was signed on the board's behalf by T R W Tildesley. The Company is a private company limited by shares incorporated and domiciled in the United Kingdom, and registered in England and Wales.

These financial statements were prepared in accordance with the Companies Act 2006, Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group financial statements as it is a wholly owned subsidiary of Imperial Brands PLC, registered in the United Kingdom. The results of the Company are included in the consolidated financial statements of Imperial Brands PLC which are available from 121 Winterstoke Road, Bristol, BS3 2LL or on its website [www.imperialbrandsplc.com](http://www.imperialbrandsplc.com).

### 2. Accounting policies

#### Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Companies Act 2006 as applicable to Companies using Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101), and FRS 101 as issued by the Financial Reporting Council, on a going concern basis. The financial statements have been prepared consistently during the current and preceding year, except for newly applicable standards.

The financial statements have been prepared on the historical cost basis, except as described in the accounting policies on foreign currency and financial instruments below. Historical cost is generally based on the fair value of the consideration given in exchange for the assets.

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of expenses during the period and of assets and liabilities at the balance sheet date.

#### Going concern

The Directors are satisfied that the Company has adequate resources to meet its operational needs for the foreseeable future and accordingly they continue to adopt the going concern basis in preparing the financial statements. The Directors of the Company have assurances of unconditional committed financial support from Imperial Brands PLC, the ultimate parent company, and that this will continue for at least 12 months from the date of signing of the financial statements.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 2. Accounting policies (continued)

#### Basis of preparation of financial statements (continued)

As permitted by FRS 101, the Company has taken advantage of the disclosure exemptions available in the preparation of the financial statements, as detailed below:

- Paragraph 38 of IAS 1 'Presentation of financial statements' - comparative information requirements in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1; and
  - (ii) paragraph 118(e) of IAS 38 'Intangible assets' - reconciliations between the carrying amount at the beginning and end of the period;
- The following paragraphs of IAS 1 'Presentation of financial statements':
  - (i) 10(d) - statement of cash flows;
  - (ii) 10(f) - a statement of financial position as at the beginning of the preceding period when an entity applied an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements;
  - (iii) 16 - statement of compliance with all IFRS;
  - (iv) 38A - requirement for minimum of two primary statements, including cash flow statements;
  - (v) 38B-D - additional comparative information;
  - (vi) 40A-D - requirements for a third statement of financial position;
  - (vii) 111 - cash flow information; and
  - (viii) 134-136 - capital management disclosures;
- IAS 7 'Statement of cash flows';
- Paragraph 30 and 31 of IAS 8 'Accounting Policies, changes in accounting estimates and errors' - requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective;
- Paragraph 17 of IAS 24 'Related party disclosures' - key management compensation;
- The requirements in IAS 24 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group; and
- IFRS 7 'Financial Instruments: Disclosures'.

#### New accounting standards and interpretations

The Group has adopted IFRS 9 'Financial Instruments' and IFRS 15 'Revenue from Contracts with Customers' with effect from 1 October 2018, however the adoption of these standards does not have a material effect on the Company. There have been no other new standards or amendments which became effective for the current reporting period that have had a material effect on the Company.

IFRIC 23 'Uncertainty over income tax treatments' will be effective, subject to EU endorsement, for the period beginning 1 October 2019. The interpretation clarifies how to apply the recognition and measurement requirements in IAS 12 'Income Taxes' when there is uncertainty over income tax treatments. The adoption of this interpretation is not expected to have a material effect on the Company's net assets or results.

IFRS 16 'Leases' will be effective for the period beginning 1 October 2019. As the Company does not currently have any leases there will be no impact on adoption of the standard.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 2. Accounting policies (continued)

#### Foreign currency

Monetary assets and liabilities denominated in foreign currencies are translated into pound sterling at the rates of exchange ruling at the balance sheet date.

Transactions in currencies other than pound sterling are initially recorded at the exchange rate ruling at the date of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at exchange rates ruling at the balance sheet date of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement with exchange differences arising on trading transactions being reported in operating profit, and those arising on financing transactions being reported in net finance costs.

#### Income from subsidiary

Dividend income from subsidiary entities is recognised in the period in which the right to receive payment is established.

#### Interest

Interest payable and receivable is recognised in the income statement on an accruals basis.

#### Taxes

The tax expense for the year comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in shareholders' funds. In this case, the tax is also recognised in other comprehensive income or directly in the shareholders' funds, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustments to tax payable in respect of previous periods.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised only to the extent that it is probable that future taxable profit will be available against which the asset can be utilised.

Deferred tax is determined using tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled. Deferred tax is measured on a non-discounted basis.

#### Dividends

Final dividends are recognised as a liability in the period in which the dividends are approved by shareholders, whereas interim dividends are recognised in the period in which the dividends are paid.

#### Investments

Investments held as fixed assets comprise the Company's investment in subsidiaries and are predominantly shown at historic purchase cost less any provision for impairment. The exception is when a fair value hedge is in place whereby the investment is revalued at the rate prevailing at the period end, with any foreign exchange movement taken to the net finance income / costs.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 2. Accounting policies (continued)

#### **Impairment of Investments**

Investments are tested for impairment annually to ensure that the carrying value of the investment is supported by their underlying net assets.

#### **Financial Instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument. Financial assets are de-recognised when the rights to receive benefits have expired or been transferred, and the Company has transferred substantially all risks and rewards of ownership. Financial liabilities are de-recognised when the obligation is extinguished.

Non-derivative financial assets are classified as loans and receivables. Receivables are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method, subject to reduction for allowances for estimated irrecoverable amounts. A provision for impairment of receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of those receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, and is recognised in the income statement. For interest-bearing assets, the carrying value includes accrued interest receivable.

Non-derivative financial liabilities are classified as loans and payables. Payables are initially recognised at fair value and are subsequently stated at amortised cost using the effective interest method. For borrowings, the carrying value includes accrued interest payable.

#### **Critical accounting estimates and judgements**

The Company makes estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience, and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

In the future, actual experience may deviate from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the current financial year are discussed below.

#### *Investment in subsidiaries*

The Company holds investments in subsidiary undertakings, the value of which is assessed on an annual basis. Estimates of future cashflows are used to provide valuations of the subsidiary entities, and where there are indications that the current carrying value of the investment is greater than the valuation of the business, impairment of the investment may be required.

The complexity of the estimation process and issues related to the assumptions, risks and uncertainties inherent in the application of the accounting estimates affect the carrying values reported in the financial statements. If business conditions were different, or if different assumptions were used in the calculation of accounting estimates, it is possible that different amounts could be reported.



# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 3. Operating profit / (loss)

Operating loss is stated after debiting £nil thousand (2018: £110 thousand) in respect of foreign exchange on the revaluation of external bank balances.

Expenses of the Company, including audit fees of £2,440 (2018: £2,300) were met by Imperial Tobacco Limited, a wholly owned subsidiary of Imperial Brands PLC, the ultimate parent company. No non-audit services were provided by the Auditors.

### 4. Directors and employees

The Company has no employees other than the Directors (2018: none), who did not receive any remuneration (2018: £nil).

The emoluments of the Directors are paid by Imperial Tobacco Limited a wholly owned indirect subsidiary of Imperial Brands PLC, the ultimate parent company. The Directors' services to the Company and to a number of fellow subsidiaries below the ultimate parent company are of a non-executive nature and their emoluments and retirement benefits are deemed to be wholly attributable to their services to Imperial Tobacco Limited and the ultimate parent company. Accordingly, no emoluments or retirement benefits are disclosed in these financial statements.

### 5. Amounts written off investments

(In £ thousand)	2019	2018
Amounts written off investments	23,435	8,537,226

During the current year the Company has impaired its investment in Imperial Tobacco Tutun Urunleri Satis ve Pazarlama AS by £23,435 thousand. During the prior year the Group undertook a structural reorganisation, resulting in some subsidiaries becoming dormant and the ownership structure of other subsidiary entities changing within the Group. As a consequence the Company received dividends of £9,500,000 thousand from Imperial Tobacco Overseas Holdings Limited, £641,437 thousand from Imperial Tobacco Ireland Unlimited Company and £268,491 thousand from Newglade International Unlimited Company.

Subsequently the company made a provision against the carrying value of its investment in these subsidiaries by £7,753,592 thousand, £606,078 thousand and £177,556 thousand respectively.

### 6. Loss on disposal of investments

(In £ thousand)	2019	2018
Loss on disposal of investments	-	5,701

No impairment losses have been recognised in the year ended 30 September 2019. During the year ended 30 September 2018 the Company disposed of its investment in IMPTOB South Africa (PTY) Limited generating a loss of £5,701 thousand.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 7. Finance income

(In £ thousand)	2019	2018
Interest receivable from group undertakings	7,792	6,405
Fair value gains associated with hedges on foreign currency movements on investments	-	9,588
Fair value gains associated with re-translation of loans	-	14,578
	<b>7,792</b>	<b>30,571</b>

### 8. Finance costs

(In £ thousand)	2019	2018
Interest payable to group undertakings	-	196
Fair value losses associated with re-translation of investments	-	7,302
Fair value losses associated with hedges on foreign currency movements on loans	-	14,469
	-	<b>21,967</b>

### 9. Tax on (loss)/profit

#### Factors affecting the tax charge for the year

The tax assessed for the year is lower (2018: lower) than the standard rate of corporation tax in the UK of 19.0 per cent (2018: 19.0 per cent). The differences are explained as follows:

(In £ thousand)	2019	2018
(Loss)/profit before taxation	<b>(15,643)</b>	1,875,495
(Loss)/profit before taxation multiplied by standard rate of corporation tax in the UK of 19.0 per cent (2018: 19.0 per cent).	<b>(2,972)</b>	356,344
<b>Tax effects of:</b>		
Income not subject to tax	-	(1,977,886)
Expenses not deductible for tax purposes	<b>4,452</b>	1,623,156
	<b>(1,476)</b>	(1,610)
UK-UK transfer pricing adjustment	<b>(4)</b>	(4)
<b>Total tax charged to the income statement</b>	<b>-</b>	<b>-</b>

The corporation tax credit for the year has been adjusted by £1,476 thousand (2018: £1,610 thousand) due to the claim of group relief from (2018: from) other Imperial Brands PLC companies.

#### Factors that may affect future tax charges

The current year and prior year tax rate of 19.0 per cent arises from profits being taxed at 19.0 per cent which has been the UK corporation tax rate since April 2017.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 10. Dividends

(In £ thousand)	2019	2018
No final dividend paid 2018 (2017: £nil per share)	-	-
Interim dividend paid 2019 of £nil per share (2018: £11.02)	-	12,400,000
	-	12,400,000

The Directors do not propose a final dividend (2018: nil).

### 11. Investments

(In £ thousand)	Investment in subsidiary undertakings
Cost	
At 1 October 2018 and 30 September 2019	13,936,194
Impairment	
At 1 October 2018	10,520,140
Charge in the year	23,435
At 30 September 2019	10,543,575
Net book value	
At 30 September 2019	3,392,619
At 30 September 2018	3,416,054

During the year an impairment of £23,435 thousand has been recognised against the carrying value of the investment in Imperial Tobacco Tutun Urunleri Satis ve Pazarlama AS.

The Directors believe that the carrying value of the investments is supported by the underlying assets.

### 12. Debtors: amounts falling due within one year

(In £ thousand)	2019	2018
Amounts owed by group undertakings	740,399	732,607

Amounts owed by group undertakings are interest bearing, have no fixed date for repayments and are repayable on demand.

### 13. Creditors: amounts falling due within one year

(In £ thousand)	2019	2018
Amounts owed to group undertakings	5,699	5,699
Withholding tax	5	5
	5,704	5,704

Amounts owed to group undertakings are non-interest bearing, have no fixed date for repayment and are repayable on demand.

## IMPERIAL TOBACCO OVERSEAS LIMITED

### Notes to the Financial Statements

#### 14. Called up share capital

(In £ thousand)	2019	2018
Authorised, allotted, called up and fully paid		
325,516,199 (2018: 325,516,199) Ordinary shares of £1 each	325,516	325,516
200,000,000 (2018: 200,000,000) Redeemable shares of £1 each	200,000	200,000
800,000,000 (2018: 800,000,000) Ordinary shares of \$1 each	406,587	406,587
	<b>932,103</b>	<b>932,103</b>

The redeemable shares can be redeemed by the Company without notice and only at the option of the Company. No premium is payable on the redeemable shares.

#### 15. Related party transactions

The Company has taken advantage of the Group exemption under the terms of IAS 24 from disclosing related party transactions with entities that are part of the Group since the Company is a wholly owned subsidiary of Imperial Brands PLC and is included in the consolidated financial statements of the Group, which are publicly available.

#### 16. Guarantees

The Company acts as guarantor together with Imperial Brands PLC (IB) (the ultimate parent company) and various other subsidiaries of IB, for an uncommitted borrowing facility dated January 2007 for the benefit of the overall IB Group.

The total financial commitment as at 30 September 2019 under the uncommitted borrowing facility dated January 2007 is nil (2018: €24.5 million).

#### 17. COVID-19

In March 2020 the Imperial Brands Group was impacted by the global Coronavirus (Covid-19) pandemic, which resulted in unprecedented government restrictions on the normal operations of the Group across many countries. The restrictions put in place initially resulted in a number of office and factory closures. The Group has responded by adapting working practices through activities such as strengthening our IT infrastructure and accelerating the roll-out of software to facilitate remote team-working, as well as encouraging a more flexible approach. There have been modifications to working practices including changing shift patterns to ensure appropriate infection controls and social distancing for employees in manufacturing facilities. As a result of this, manufacturing plants have continued to operate and the Group is able to both produce and distribute product to customers to meet demand, while complying with all necessary safety precautions to protect staff and business partners from the risks arising from the pandemic.

As the pandemic commenced in 2020 this represents a non adjusting post balance sheet event with regards to the financial statements of the Company for the year ending 30 September 2019.

As the Company's principal activity is that of holding investments in other group companies, the Company's operations themselves have not been significantly impacted by the Covid 19 pandemic. The Company is not aware of any post year end impairments to its investments specifically associated with the impact of the pandemic.

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings

The ultimate parent undertaking and controlling party of the Company at 30 September 2019 was Imperial Brands PLC, a company incorporated in the United Kingdom and registered in England and Wales. The smallest and largest group in which the results of the Company are consolidated is that headed by Imperial Brands PLC, whose consolidated financial statements may be obtained from the Company Secretary, 121 Winterstoke Road, Bristol, BS3 2LL.

The immediate parent undertaking of Imperial Tobacco Overseas Limited at 30 September 2019 was Imperial Tobacco Holdings (1) Limited, a company incorporated in the United Kingdom and registered in England and Wales.

In accordance with Section 409 of the Companies Act 2006 a full list of subsidiaries, partnerships, associates, and joint ventures, the principal activity, the country of incorporation and the effective percentage of equity owned, as at 30 September 2019 are disclosed below.

#### Subsidiaries: Registered in England and Wales, wholly owned

Name	Principal activity and registered address
Hypofill Limited	Dormant Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
Imperial Tobacco Altadis Limited	Provision of finance to other Group companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Capital Assets (4)	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas (Polska) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (1) Limited <sup>(viii)</sup>	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (2) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings (3) Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Imperial Tobacco Overseas Holdings Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England
Nerudia Limited	Research and development of e-vapour products Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
Nerudia Trading Limited	Dormant Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
Nerudia Consulting Limited	Research and development of e-vapour products Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
	Dormant Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England
Rizla UK Limited	Entity ceased trading 121 Winterstoke Road, Bristol, BS3 2LL, England

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Subsidiaries: Registered in England and Wales, wholly owned (continued)

Name	Principal activity and registered address
Sensus Investments Limited	Dormant Wellington House, Physics Road, Speke, Liverpool, L24 9HP, England

#### Subsidiaries: Incorporated overseas, wholly owned

Name	Country of incorporation	Principal activity and registered address
	Belgium	Manufacture and sale of tobacco products in Belgium Sint-Bavostraat 66, 2610 Wilrijk, Belgium
Fontem (Beijing) Technology Solutions Limited <sup>(i)</sup>	People's Republic of China	Research and development Room 201, Floor 2, Building 6, Yuan Dong science and technology park, 6 Hepingli North Street, Dong Cheng District, Beijing, 100013, China
Fontem Canada Limited <sup>(vii)</sup>	Canada	Import and distribution of tobacco and tobacco related products in Canada Suite 200, 389 Connell Street, Woodstock, NB, E7M 5G5, Canada
Fontem Holdings 1 B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Fontem Holdings 2 B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Fontem Holdings 3 B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Fontem Holdings 4 B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Fontem Holdings B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Fontem International GmbH	Germany	Holding investments in subsidiary companies Max-Born-Straße 4, Hamburg, 22761, Germany
Fontem US, Inc.	United States of America	Sales and marketing of tobacco products in the US 4th Floor, 3730 Glen Lake Dr, Charlotte, NC 28208, USA
Fontem Ventures B.V.	The Netherlands	Holding investments in subsidiary companies Radarweg 60, Amsterdam, 1043 NT, The Netherlands
Fontem Ventures France S.A.S.	France	Marketing and sale of e-vapour products in France 143 bd Romain Rolland, Cedex 14, Paris, 75685, France
Huotraco International Limited	Cambodia	Production and marketing of tobacco products No 299, Preah Ang Duong Street, Sangkat Wat Phnom, Khan Daunh Penh, Phnom Penh, Cambodia
Imperial Tobacco (Asia) Pte. Ltd.	Singapore	Trading of tobacco related products 80 Robinson Road, #02-00, 068898, Singapore
Imperial Tobacco (Beijing) Limited <sup>(i)</sup>	People's Republic of China	Dormant Rm. 305 D-3F, Vantone Center, Jia No. 6 Chaowai Street, Chaoyang District, Beijing, PRC 100020, China

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Subsidiaries: Incorporated overseas, wholly owned (continued)

Name	Country of incorporation	Principal activity and registered address
Imperial Tobacco Austria Marketing Service GmbH	Austria	Marketing of tobacco products in Austria Zieglergasse 6, A-1070 Vienna, Austria
Imperial Tobacco BH doo <sup>(i)</sup>	Bosnia-Herzegovina	Marketing and distribution of tobacco products in Bosnia Adema Buce, Sarajevo, 71000, Bosnia & Herzegovina
Imperial Tobacco Bulgaria EOOD <sup>(i)</sup>	Bulgaria	Manufacture and sale of tobacco products in Bulgaria 15 Henrih Ibsen str, Floor 4, Office 4, Sofia, 1407, Bulgaria
Imperial Tobacco Denmark ApS	Denmark	In liquidation Lyskaer 3 CD, 2730 Herlev, Denmark
	Bulgaria	Marketing and distribution of tobacco products in Bulgaria 15 Henrih Ibsen str, Floor 4, Office 4, Sofia, 1407, Bulgaria
Imperial Tobacco Distribution Romania srl	Romania	Marketing and distribution of tobacco products in Romania Nicolae Canea Street no. 140-160, EOS Business Park, 1st Floor North, 2nd District, Bucharest, Romania
Imperial Tobacco España, S.L.U.	Spain	Holding investments in subsidiary companies C/Comandante Azcarraga 5, Madrid 28016, Spain
Imperial Tobacco Estonia OÜ	Estonia	Sale of tobacco products Valge 13, 11145, Tallinn, Estonia
Imperial Tobacco Holdings (Netherlands) B.V.	The Netherlands	Provision of finance to other Group companies Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Imperial Tobacco Intellectual Property Limited	Ireland	Ownership of trademarks 21, Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
Imperial Tobacco Ireland Unlimited Company <sup>(v)</sup>	Ireland	Dormant 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland
Imperial Tobacco Italy S.r.l.	Italy	Holding investments in subsidiary companies Via Luca Passi 22, Roma, 00166, Italy
Imperial Tobacco Japan Kabushiki Kaisha	Japan	Sales and marketing of tobacco products in Japan 5-12-7 Shirokane dai, M6 Shirokane dai Building, Minato-ku, Tokyo, Japan
Imperial Tobacco Korea Limited	Korea	Sales and marketing of tobacco products in South Korea. 612 ho 6F ChosunNaewha BD, 577 Seolleung-RO, Gangnam-gu, 06143 Republic of Korea
Imperial Tobacco Magyarország Dohányforgalmazó Kft (Imperial Tobacco Hungary)	Hungary	Sales and marketing of tobacco products in Hungary Váci út 141, 1138, Budapest, Hungary
Imperial Tobacco Marketing Sdn Bhd	Malaysia	Trading of tobacco products Symphony Corporatehouse SdnBhd, Level 8 Symphony House, Block D13, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan, Malaysia
Imperial Tobacco Polska S.A.	Poland	Manufacture and sale of tobacco products in Poland Jankowice, ul. Przemyslowa 1, PI-62-080, Tarnowo-Podgome, Poland
Imperial Tobacco Portugal SSPLC	Portugal	Advertising and support management 144, 7 DT, Avenida da Liberdade, Lisbon, Portugal

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Subsidiaries: Incorporated overseas, wholly owned (continued)

Name	Country of incorporation	Principal activity and registered address
Imperial Tobacco Production Ukraine <sup>(i)</sup>	Ukraine	Manufacture of tobacco products in Ukraine ul. Akademika Zabolotnogo, 35, 03026, Kiev, Ukraine
Imperial Tobacco SCG doo Beograd <sup>(i)</sup>	Serbia	Marketing and distribution of tobacco products in Serbia Milutina Milankovica 11a, Novi Beograd, Serbia
Imperial Tobacco Sigara ve Tutunculuck Sanayi Ve Ticaret A.S.	Turkey	Manufacture of tobacco products in Turkey Kecilikoy OSB, Mah. Ahmet Tutuncuoglu Cad. No: 11, 45030 Yunusemre, Manisa, Turkey
Imperial Tobacco Slovakia a.s.	Slovak Republic	Sales and marketing of tobacco products in the Slovak Republic 7A Galvaniho, 824 53 Bratislava, Slovakia
	Taiwan	Sales and marketing of tobacco products in Taiwan 6F 1-2 No.2 Sec 3, Minsheng E Road, Zhongshen District, Tapei, Taiwan Province of China
Imperial Tobacco Taiwan Manufacturing Company Limited	Taiwan	Manufacture of tobacco products in Taiwan No 8 Cyunyi Road, Jhunan, Miaoli County 350, Taiwan Province of China
Imperial Tobacco Tutun Urunleri Satış Ve Pazarlama A.S.	Turkey	Sales and marketing of tobacco products in Turkey Kecilikoy OSB, Mah. Ahmet Tutuncuoglu Cad. No: 11, 45030 Yunusemre, Manisa, Turkey
Imperial Tobacco Ukraine <sup>(i)</sup>	Ukraine	Sales and marketing of tobacco products in Ukraine ul. Akademika Zabolotnogo, 35, 03026, Kiev, Ukraine
Imperial Tobacco Volga LLC <sup>(i)</sup>	Russia	Manufacture of tobacco products in Russia ul.Tomskaia 7, 400048 Volgograd, Russian Federation
Imperial Tobacco Zagreb doo <sup>(i)</sup>	Croatia	Marketing and distribution of tobacco related products in Croatia Gradičanska 30, Zagreb, HR-10000, Croatia
IMPTOB South Africa (Pty) Limited	South Africa	Provision of services to other Group companies Suite 107, Beacon Rock, 21 Lighthouse Road, Umhlanga 4319, South Africa
International Marketing Promotional Services Limited	Nigeria	Sales and marketing and of tobacco products in Nigeria 13 A, Dapo Solanke Close - Lekki Phase 1, Lagos, Nigeria
ITL Pacific (HK) Limited	Hong Kong	Manufacture and sale of tobacco and tobacco related products Room 3907-08, 39th Floor, Hopewell Centre, 183 Queens Road East, Wanchai, Hong Kong
JAW-Invest Oy	Finland	Trademark owner Poikluomantie 1-3, Piispanristi, 20760, Finland
John Player & Sons Limited	Ireland	Sales and marketing of tobacco products in the Republic of Ireland 21, Beckett Way, Park West, Nangor Road, Dublin, 12, Ireland
MYBLU Spain S.L.	Spain	Marketing and sale of e-vapor products in Spain CR. Robledo de Chavela, S/N. San Lorenzo del Escorial, Madrid, 28200, Spain
Newglade International Unlimited Company	Ireland	Dormant 6th Floor, 2 Grand Canal Square, Dublin 2, Ireland



# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Subsidiaries: Incorporated overseas, wholly owned (continued)

Name	Country of incorporation	Principal activity and registered address
REEMARK Gesellschaft für Markenkooperation mbH	Germany	Dormant Max-Born-Straße 4, Hamburg, 22761, Germany
Robert Burton Associates Limited	United States of America	Marketing of papers in the US 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, Florida,
Skruf Snus AB	Sweden	Manufacture, marketing, sales of tobacco products in Sweden Kungsgatan 12-14, Floor 7, Stockholm, SE-111 35, Sweden
Tobacco Products Fulfillments, Inc.	United States of America	Fulfilment services PK 4, 300 Côte mer, 98701 Arue, BP 20692 Papeete, French Polynesia
	Slovenia	Retail of products in Slovenia Cesta 24., junija 90, SI 1231 Ljubljana - Črnuče, Slovenia
Tobačna Grosist d.o.o.	Slovenia	Marketing and distribution in Slovenia Cesta 24., junija 90, SI 1231 Ljubljana - Črnuče, Slovenia
Tobačna Ljubljana d.o.o. <sup>(iv)</sup>	Slovenia	Sales and marketing tobacco products in Slovenia Cesta 24., junija 90, SI 1231 Ljubljana - Črnuče, Slovenia
Van Nelle Tabak Nederland B.V.	The Netherlands	Manufacture and sale of tobacco products in the Netherlands Slachtedijk 28a, 8501 ZA, Joure, Netherlands
Van Nelle Tobacco International Holdings B.V.	The Netherlands	Sale of tobacco and tobacco related products Slachtedijk 28a, 8501 ZA, Joure, Netherlands

#### Subsidiaries: Registered in England and Wales, partly owned

Name	Principal activity and registered address	% owned
Congar International UK Limited	Dormant 121 Winterstoke Road, Bristol, BS3 2LL, England	63.1
La Flor de Copan UK Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England	63.1
Tabacalera de Garcia UK Limited	Holding investments in subsidiary companies 121 Winterstoke Road, Bristol, BS3 2LL, England	63.1

#### Subsidiaries: Incorporated overseas, partly owned

Name	Country of incorporation	Principal activity and registered address	% owned
Altadis Holdings USA Inc	United States of America	Holding investments in subsidiary companies 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309, USA	63.1
Altadis Management Services Corporation	United States of America	Trademark service company 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale,	63.1
Altadis Retail Corporation	United States of America	Trademark owner 300 Delaware Avenue, Ste. 1230, Wilmington, DE, 19801,	63.1
Altadis Shade Company LLC	United States of America	Manufacture and sale of tobacco products in the USA 217 Shaker Road, Somers, CT, 06071, USA	63.1

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Subsidiaries: Incorporated overseas, partly owned (continued)

Name	Country of incorporation	Principal activity and registered address	% owned
Altadis USA Inc	United States of America	Manufacture and sale of cigars in the USA 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309, USA	63.1
Altadis USA Inc	United States of America	Manufacture and sale of cigars in the USA 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309, USA	63.1
CBHC Inc	United States of America	Dormant 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309 USA	63.1
Cigar Savor Enterprises LLC	United States of America	Manufacture of tobacco products 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309 USA	63.1
	United States of America	Manufacture and sale of tobacco products in the USA 301 N. Scales Street, Reidsville, North Carolina, NC27320	63.1
Commonwealth-Altadis, Inc	United States of America	Sales and distribution of tobacco products in the USA 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309 USA	63.1
Congar International Corp (Delaware)	United States of America	Manufacturing and distribution of mass market cigars Road 14, Km. 72.2, Ave. Antonio R. Barcelo, Cayey, DE, PR 00736, USA	63.1
Connecticut Shade Corporation	United States of America	Holding investments in subsidiary companies 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309 USA	63.1
Consolidated Cigar Holdings Inc (vii)	United States of America	Holding investments in subsidiary companies 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309, USA	63.1
Cuban Cigar Brands BV <sup>(vi)</sup>	Netherlands Antilles	Trademark owner N.V. Fides, 15 Pietermaai, Curaçao, Netherlands Antilles	63.1
Direct Products Inc (Inactive)	United States of America	Holding investments in subsidiary companies 5900 North Andrews Avenue, Ste. 1100, Fort Lauderdale, FL, 33309, USA	63.1
Imperial Tobacco Hellas S.A.	Greece	Sales and marketing of tobacco products in Greece 300 Klisthenous Str, 15344 Gerakas, Attikis, Athens, Greece	98.0
Imperial Tobacco Sales & Marketing LLC	Russia	Sales and marketing of tobacco products in Russia Degtjarnyi pereulok 4-1, 125009 Moskau, Russian Federation	90.0

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Subsidiaries: Incorporated overseas, partly owned (continued)

Name	Country of incorporation	Principal activity and registered address	% owned
Imperial Tobacco TKS a.d. <sup>(i)</sup>	Macedonia	Manufacture, marketing and distribution of tobacco products in Macedonia ul 11, Oktomvri 125, P O Box 37, 1000 Skopje, Macedonia	99.1
Imperial Tobacco TKS a.d. - Dege Kosovo	Kosovo	Manufacture, marketing and distribution of tobacco products in Kosovo Ahmet Krasniqi, Obj.Redoni C1 B Nr 23, Prishtina, Republic of Kosovo	99.1
Imperial Tobacco US Holdings BV	The Netherlands	Holding investments in subsidiary companies Slachtedijk 28a, 8501 ZA, Joure, Netherlands	63.1
ITG Brands Holdco LLC	United States of America	Holding investments in subsidiary companies 714, Green Valley Road, Greensboro, NC 27408, USA	63.1
	United States of America	Marketing and distribution of tobacco products in the USA	63.1
ITG Holdings USA Inc <sup>(ix)</sup>	United States of America	Holding investments in subsidiary companies C/o The Corporation Trust Co, 1209 Orange Street, City of Wilmington, County of Newcastle, DE 19801, USA	63.1
John Player Ireland Pension Trustee Limited	Ireland	Sales and marketing of tobacco products in the Republic of Ireland 21, Beckett Way, Park West, Nangor Road, Dublin, 12,	60.0
Max Rohr, Inc	United States of America	Trademark owner 300 Delaware Avenue, Ste. 1267, Wilmington, DE, 19801,	63.1
NITAF Limited, IL <sup>(i)</sup>	Nigeria	In liquidation 28, Ground Floor, Ajasa Street, Off King George V Road, Onikan, Lagos, Nigeria	50.0
Société Marocaine des Tabacs SA	Morocco	Manufacture and distribution of cigarettes in Morocco Boulevard La Corniche, Anfa Place, Immeuble Bureaux Batiments Ousst, Casablanca, 20180, Morocco	99.9
Tabacalera Brands Inc	United States of America	Trademark owner 300 Delaware Avenue, Ste. 1267, Wilmington, DE 19801,	63.1
Tabacalera de Garcia Limited	Bermuda	Holding investments in subsidiary companies Claredon House, 2 Church Street, Hamilton, HM 11,	63.1
Von Erl. GmbH <sup>(i)</sup>	Austria	Sale of e-vapour products in the US and Europe Alte Landstrasse 27, 6060 Hall in Tirol, Austria	60.0

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

#### Associates: Incorporated overseas

Name	Country of incorporation	Principal activity and registered address	% owned
Cosmic Fog Vapours Company LLC	United States of America	Trademark owner, and sale of e-vapour products in USA and Europe C/O The Corporation Trust Co, 1209 Orange Street, City of Wilmington, County of Newcastle, DE19801 USA	40.0
Fabrica de Tabacos La Flor de Copan S de R.L. de CV	Honduras	Holding investments in subsidiary companies Apartado Postal 209, Colonia Mejia-Garcia, Santa Rosa de Copán, Honduras	31.6
ITG Brands Holdpartner LP	United States of America	Marketing and sale of tobacco products in United States of America	31.6
Lippoel Tobacco Corporation International NV	Netherlands Antilles	Distributor of Cuban leaf Pietermaai 123, P.O. BOX 897. Willemstad, Curacao, Netherlands Antilles	27.5

#### Joint Ventures: Incorporated overseas

Name	Country of incorporation	Principal activity and registered address	% owned
Global Horizon Ventures Limited	Hong Kong	Sales and marketing of cigarettes in Asia Room 3907-08, 39th Floor, Hopewell Centre, 183 Queens Road East, Wanchai, Hong Kong	50.0

#### Partnerships

The Group also owns the following partnerships:

Name	Country	Principal activity, registered address and principal place of business
Imperial Tobacco Kazakhstan LLP <sup>(i)</sup>	Kazakhstan	Marketing and distribution of tobacco products in Kazakhstan Registered address and principal place of business: 3 <sup>rd</sup> Floor, Prime Business Park, 100/2 Furmanov Str, Medeuskiy District, Almaty, 050000, Kazakhstan

# IMPERIAL TOBACCO OVERSEAS LIMITED

## Notes to the Financial Statements

### 18. Related Undertakings (continued)

The subsidiaries listed were held throughout the year and the consolidated Group financial statements include all the subsidiary undertakings identified. All dormant UK entities have taken the exemption available to not have an audit of their financial statements.

Unless otherwise stated the entities are unlisted, have 1 type of ordinary share capital and a reporting period ending on 30 September each year.

- (i) December year end
- (ii) March year end
- (iii) Listed entity
- (iv) Holding of one type of ordinary share only (where more than one type of share is authorised / in issue).  
Only applicable to partly owned entities - percentage ownership is shown in the tables above.
- (v) Holding of two types of ordinary share (where more than one type of ordinary share is authorised / in issue).  
Only applicable to 100% owned subsidiaries.
- (vi) Holding of preference shares only
- (vii) Holding of ordinary and preference shares
- (viii) Holding of ordinary and redeemable shares
- (ix) Holding of ordinary and deferred shares
- (x) Holding of two types of ordinary share and redeemable shares

The percentage of issued share capital held by the immediate parent and the effective voting rights of the Group are the same except for Imperial Tobacco Italia Srl where the entire share capital, and therefore 100 per cent of the voting rights, are held by a number of Group companies, and Compañía de Distribución Integral Logista SAU, Logista France SAS, and Logista Italia SpA are 100 per cent owned subsidiaries of Compañía de Distribución Integral Logista Holdings SA, which is itself 50.01 per cent owned by Altadis SAU.