

Grand Metropolitan International Holdings Limited
Annual report and financial statements
30 June 2023

Registered number: 00970624



Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

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Grand Metropolitan International Holdings Limited

Registered number: 00970624

Year ended 30 June 2023

STRATEGIC REPORT

The directors present their strategic report for the year ended 30 June 2023.

Activities

The company is incorporated and domiciled as a private company limited by shares in England, United Kingdom. The registered address is 16 Great Marlborough Street, London, W1F 7HS, United Kingdom.

The principal activity of the company is to act as an investment holding company within the Diageo group ("the group").

The directors foresee no changes in the company's activities.

Business review

Development and performance of the business of the company during the financial year and position of the company as at 30 June 2023

Profit for the year ended 30 June 2023 increased by £544,327,000 to £881,140,000 (2022 - £336,813,000), predominantly due to the increase in dividends received from shares in group undertakings, which increased by £543,288,000 in the year ended 30 June 2023.

On 17 May 2023, payment of an interim dividend was approved in the amount of £871,601,000 to Grand Metropolitan Limited, the immediate parent undertaking of the company, following receipt of a dividend in the amount of £871,601,000 from UDV (SJ) Limited, a wholly owned subsidiary undertaking of the company. On 16 June 2023, Sichuan Swellfun Co., Ltd, an associate undertaking of the company, declared a dividend in the amount of £9,434,000 (2022 - £10,236,000), which has not been paid at year end and the time of the issuance of the financial statements.

Financial and other key performance indicators

As the company is an intermediary holding company within the group, the principal key performance indicator used by management to analyse the development, performance and position of the company's business is adherence to the group dividend policy.

Principal risks and uncertainties facing the company as at 30 June 2023

The principal risks identified by the group are disclosed on pages 88 to 93 of Diageo plc's 2023 Annual Report. The most relevant of the group risks to this entity are the ones we have selected and articulated below, together with specific considerations relating to the company's operations and environment. If any of these risks occur, the company's business, financial condition and operational results could suffer. As the company forms part of the group's investment holding structure, the financial risk management measures used by management to analyse the development, performance and position of the company's business are mainly similar to those facing the group as a whole. The directors consider that the following risks might impact the performance and the solvency or liquidity of the company through its investments and intercompany financing structure. The company-specific risks which have been identified are the recoverability of the company's investment in subsidiaries and associates and liquidity risk in respect of the intercompany funding position.

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STRATEGIC REPORT (continued)

Business review (continued)

Principal risks and uncertainties facing the company as at 30 June 2023 (continued)

Geopolitical and macroeconomic volatility

Geopolitical forces, primarily driven by the Russia / Ukraine conflict, coupled with macro-economic stress, increase the likelihood of international and domestic tensions, disputes and conflict that might impact the business. Macroeconomic conditions include inflationary pressures, unemployment and global trade tensions. Financial volatility risk could arise from variability in financial markets, interest rate fluctuations and currency instability. Failure to react quickly enough to changing economic and/or political conditions, e.g. inflationary pressures, currency instability, global trade tensions, heightened political protectionism, changes to customs duties and tariffs, and/or eroded consumer confidence, may impact on the freedom to operate in a market and could adversely impact financial performance.

The group monitors key business drivers and performance, to prepare for rapid changes in the external environment and there is an enhanced group-level strategic analysis and scenario planning to strengthen market strategies and risk management.

The group has continued to improve long-term forecasting and planning capabilities, to better assess and respond to long-term opportunities and risks. The group has also continued to operate the strategic planning and performance function with a stronger governance model for financial and non-financial decision-making. This will enable closer monitoring of external volatility/risk and multi-country investment strategy with central hedging and currency monitoring to manage volatility.

During the year ended 30 June 2023, inflation has remained high and has reduced more slowly than expected in many countries. High levels of inflation are expected to continue in the short to medium term. Foreign exchange volatility has increased across several markets. There are dedicated cross-functional steering groups to manage the response to acute issues including inflation and foreign exchange volatility.

Cyber and IT resilience

Cyber-attacks are becoming more prevalent, and there is an increased dependency on third-party IT services and solutions. As geopolitical tensions are growing, there is a rise in more sophisticated cyber threats affecting all organisations, therefore the risk of a cyber-attack is heightened.

The group has strong enterprise-wide cyber risk management processes and policies and next generation security technologies to tackle advanced attacks. There is IT and Operations Technology (“OT”) disaster recovery and business continuity testing across the key systems. The group continues to enhance and deploy next generation security technologies to tackle advanced attacks and upgrade the enterprise resource planning system and associated processes to ensure they remain resilient.

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STRATEGIC REPORT (continued)

Business review (continued)

Principal risks and uncertainties facing the company as at 30 June 2023 (continued)

Climate change and sustainability

Physical and transition climate change risks, including water stress, extreme weather events, temperature rises and increased regulation, may result in increased volatility in the supply of raw materials, production costs, capacity constraints and higher costs of compliance. In addition, the failure to meet sustainability goals could result in loss of licence to operate, financial loss and reputational damage amongst customers, consumers, investors and other stakeholders.

The group conducted a detailed climate change risk assessment ("CCRA") and scenario analysis to evaluate short- and long-term impacts from physical and transition risks.

The group operates a cross-functional Climate Risk Steering Group that sets the strategy for ongoing climate risk assessment, and manages associated opportunities and risks, while continuing to develop the approach to climate change risk reporting. CCRA review found that, with respect to the group, risks related to acute weather events, high temperature, water stress, rising sea level hazards are projected to significantly increase in the future and cause interruption to operations, however based on the current assessment we do not consider that they will have a significant short term financial impact.

Resource-scarcity issues have been identified and mitigated, especially within agricultural ingredient sourcing, and manufacturing, water and energy. Physical risk exposures have been identified for sites assessed in North America and Scotland, Africa, Mexico, India, Turkey, Latin America and Caribbean, Asia Pacific, and Europe, and being built into site and category risk footprints. 'Society 2030: Spirit of Progress' ambition was launched in 2022 that continued to deliver against key targets and longer-term goals. (Details are disclosed on pages 57-60 of Diageo plc's Annual Report). The water blueprint was defined and operationalised in water-stressed locations. Communication programmes are in place to share impact, strengthen reputation and support the advocacy platform. Carbon pricing is being assessed as an internal mechanism to drive deeper understanding of the impact of energy choices. The group TCFD modelling and mitigation plans incorporate the risk of a 4-5°C climate change scenario, which may arise as a result of collective climate action failure.

The group has further increased resources dedicated to the mitigation of climate impact within our sustainability, sourcing, and finance teams.

Further information on the group's risk assessment and risk management measures in relation to climate change is disclosed on pages 71-87 of Diageo plc's 2023 Annual Report.

Over time the group will continue to refine and update its CCRA to reflect real time developments resulting from climate change.

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STRATEGIC REPORT (continued)

Statement on Section 172 of the Companies Act 2006

Section 172 of the Companies Act 2006 requires the directors to promote the success of the company for the benefit of the members as a whole, having regard to the interests of stakeholders in their decision-making. In making decisions, the directors consider what is most likely to promote the success of the company for its shareholders in the long term, as well as the interests of the group's stakeholders. The directors understand the importance of taking into account the views of stakeholders and the impact of the company's activities on local communities, the environment, including climate change, and the group's reputation.

The company is a member of the group of companies (the "group") whose ultimate holding company is Diageo plc ("Diageo"). In accordance with the requirements of UK company law, Diageo has included in its 2023 Annual Report and Accounts on page 9 a statement as to how the directors of Diageo have had regard to the matters set out in Section 172 of the Companies Act 2006.

In order to ensure consistency in how the group operates with regard to its wider stakeholders, the group has adopted an internal Code of Business Conduct alongside a comprehensive framework of global policies and standards that are designed to ensure, amongst other things, that all companies throughout the group, including the company, have regard to its wider stakeholders in a consistent manner.

The company has therefore had regard to the matters set out in Section 172 of the Act in a manner that is consistent with the approach adopted by Diageo, while at the same time ensuring the directors of the company are fulfilling their duties.

Main activities of the Board

The principal activities of the Board during the year include:

- Issuance of letters of comfort to certain fellow group undertakings projected to have net current liabilities to enable them to continue to be accounted as going concerns; and
- Approval of financial statements for the year ended 30 June 2022; and
- Approval of the receipt of a dividend from its subsidiary company and subsequent approval of a dividend payment to its parent company; and
- Approval of a change in the company's functional and reporting currency from sterling to US dollar subject to final approval of the board of directors of Diageo plc with effect from 1 July 2023.

On behalf of the Board



.....
D Keresztesi

Director

16 Great Marlborough Street

London

W1F 7HS

United Kingdom

5 December 2023

Grand Metropolitan International Holdings Limited

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Year ended 30 June 2023

DIRECTORS' REPORT

The directors are pleased to submit their annual report, together with the audited financial statements for the year ended 30 June 2023.

Going concern

The company's business activities, together with the factors likely to affect its future development and position, are set out in the business review section of the strategic report. The company is expected to continue to generate profit for its own account and to remain in positive net asset position for the foreseeable future. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern. On the basis of their assessment, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for a period of at least 12 months from the date the financial statements are approved and signed. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial

The result for the year ended 30 June 2023 is shown on page 14.

The profit for the year transferred to reserves was £881,140,000 (2022 - £336,813,000).

Dividends distributed during the year ended 30 June 2023 and 30 June 2022 were £871,601,000 and £328,313,000 respectively and there is no dividend proposed to be distributed to the shareholders in regards to the financial year (2022 - £nil).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

J M C Edmunds

D Keresztesi

K E Major

I Thrustle

Directors' remuneration

None of the directors received any remuneration during the year in respect of their services as directors of the company (2022 - £nil). The directors were paid by fellow group undertakings, and no cost was recharged to the company.

Directors' indemnity

The Articles of Association permits qualifying third-party indemnities for the directors as defined by Section 234 of the Companies Act 2006. No such indemnity was in force during the last financial year, nor is any currently in force.

Post balance sheet events

Starting 1 July 2023, the ultimate parent of the company, Diageo plc has changed its functional currency from sterling to US dollar which is applied prospectively. Diageo plc has also decided to change its presentation currency to US dollar with effect from 1 July 2023, applied retrospectively.

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DIRECTORS' REPORT (continued)

Post balance sheet events (continued)

The company is a holding entity of the Diageo group carrying out activities as an extension of the direct parent. In line with reporting requirements the company followed its direct parent and changed functional currency from sterling to US dollar starting 1 July 2023 which is applied prospectively. The company also decided to change its presentation currency to US dollar with effect from 1 July 2023, applied retrospectively.

As a result of the functional and presentational currency change of the company from 1 July 2023, to manage the changed foreign currency exposures of the company, the sterling denominated intercompany loan of the entity has been converted from sterling to US dollar on transition date with no material fair value impact and no cash settlement. The amount of the intercompany loan denominated in sterling was £64,436,000, which has been converted to \$81,190,000.

Internal control and risk management over financial reporting

The company operates under the financial reporting processes and controls of the group. Diageo plc's internal control and risk management systems including its financial reporting process of Diageo plc, which include those of the company, are discussed in the group's Annual Report 2023 on page 115 at www.diageo.com, which does not form part of this report.

Independent auditors

Pursuant to Section 487 of the Companies Act 2006, the independent auditors, PricewaterhouseCoopers LLP, have been reappointed and will continue in office as independent auditors of the company.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Business relationship statement

The business of the company is that of an intermediate holding company and as such it has a more limited number of third-party business relationships than other companies within the group. However, in order to ensure consistency in how the group operates, the company has adopted an internal Code of Business Conduct alongside a comprehensive framework of global policies and standards that are designed to ensure, amongst other things, that all companies throughout the group, including the company, have regard to its wider stakeholders, including those in a business relationship with the company, in a consistent manner. Decisions taken by directors are informed by the interests of its wider stakeholders, including those in a business relationship with the company, as guided by, amongst other things, the Code of Business Conduct and framework of policies and standards.

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DIRECTORS' REPORT (continued)

On behalf of the Board



.....
D Keresztesi
Director

16 Great Marlborough Street
London
W1F 7HS
United Kingdom

5 December 2023

Grand Metropolitan International Holdings Limited

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Year ended 30 June 2023

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).

Under company law, 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 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 also 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' report to the members of Grand Metropolitan International Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Grand Metropolitan International Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 June 2023; the Statement of comprehensive income and 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

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

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

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

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

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.

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 our work undertaken in the course of the audit, the Companies Act 2006 requires 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 June 2023 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, 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.

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

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to , but were not limited to, Companies Act 2006, UK tax legislation and the United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 “Reduced Disclosure Framework” and applicable law), and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management’s incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results, and management bias in accounting estimates and judgements. Audit procedures performed by the engagement team included:

- Discussions with the directors, management and internal legal counsel, including inquiry regarding known or suspected instances of non-compliance with laws and regulations and fraud;
- Reviewing relevant board of directors meeting minutes;
- Challenging assumptions and judgements made by management in their significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In particular, in relation to the recoverability of the company’s investments in its subsidiaries and associates, and the recoverability of amounts owed by fellow group undertakings; and
- As in all of our audits we also addressed the risk of management override of internal controls, including testing journals, and evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

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 obtained 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.

Prashant Bagree

Prashant Bagree (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
14 December 2023

Grand Metropolitan International Holdings Limited
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STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended 30 June 2023 £ 000	Year ended 30 June 2022 £ 000
Other operating income	2	204	100
Income from shares in group undertakings	3	871,601	328,313
Income from shares in associate undertakings	3	9,434	10,236
Operating profit		881,239	338,649
Net finance income/(charges)	4	844	(812)
Profit before taxation on ordinary activities		882,083	337,837
Taxation on profit on ordinary activities	5	(943)	(1,024)
Profit for the financial year and total comprehensive income for the year		881,140	336,813

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

The company had no other comprehensive income or expense during the current and previous year.

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BALANCE SHEET

	Notes	30 June 2023 £ 000	30 June 2022 £ 000
Non-current assets			
Investments in subsidiaries	6	10,043,883	10,043,883
Investments in associates	6	667,128	667,128
		<u>10,711,011</u>	<u>10,711,011</u>
Current assets			
Trade and other receivables	7	61,670	57,697
Cash and cash equivalents		—	—
Total assets		<u>10,772,681</u>	<u>10,768,708</u>
Current liabilities			
Trade and other payables	8	—	(5,566)
Total liabilities		<u>—</u>	<u>(5,566)</u>
Net assets		<u>10,772,681</u>	<u>10,763,142</u>
Equity			
Called up share capital	9	—	—
Retained earnings		10,772,681	10,763,142
Total equity		<u>10,772,681</u>	<u>10,763,142</u>

The accounting policies and other notes on pages 17 to 40 form part of the financial statements.

These financial statements on pages 14 to 40 were approved by the Board on 5 December 2023 and were signed on its behalf by:



.....
D Keresztesi
Director

Grand Metropolitan International Holdings Limited
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STATEMENT OF CHANGES IN EQUITY

	Called up share capital £ 000	Retained earnings £ 000	Total £ 000
Balance at 30 June 2021	—	10,754,642	10,754,642
Profit for the financial year and total comprehensive income for the year	—	336,813	336,813
Dividends to shareholders	—	(328,313)	(328,313)
Balance at 30 June 2022	—	10,763,142	10,763,142
Profit for the financial year and total comprehensive income for the year	—	881,140	881,140
Dividends to shareholders	—	(871,601)	(871,601)
Balance at 30 June 2023	—	10,772,681	10,772,681

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

Grand Metropolitan International Holdings Limited

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NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

These financial statements are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the UK (IFRS), but makes amendments where necessary in order to comply with Companies Act 2006 and sets out below where the FRS 101 disclosure exemptions have been taken.

These financial statements are prepared on a going concern basis under the historical cost convention, except that certain financial instruments are measured at their fair value.

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc which are publicly available.

The preparation of financial statements in conformity with FRS 101 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 79(a)(iv) (comparative information requirements);
 - 111 (cash flow statement information);
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- The following paragraphs of IAS 8, 'Accounting policies, changes in accounting estimates and errors':
 - 30 (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
 - 31 (disclosures relating to the new IFRS).
- Paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36, 'Impairment of assets' (disclosures when the recoverable amount is fair value less costs of disposal, assumptions involved in estimating recoverable amounts of cash-generating units containing goodwill or intangible assets with indefinite useful lives, and management's approach to determining these amounts).
- The following paragraphs of IAS 24 'Related party disclosures':
 - 17 (key management compensation);
 - 18A (key management services provided by a separate management entity).

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NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

- The requirements of IFRS 7 Financial Instruments: Disclosures, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

The company has taken advantage of the exemption by virtue of section 400 under Companies Act 2006, from the requirement to prepare consolidated financial statements, as it and its subsidiaries are included in the consolidated financial statements of its ultimate parent, Diageo plc.

These financial statements are separate financial statements.

New accounting standards and interpretations

The following amendments to the accounting standards, issued by the IASB and endorsed by the UK and EU, have been adopted by the group and therefore by the company from 1 July 2022 with no impact on the company's results, financial position or disclosures:

- Amendments to IFRS 3 Updating a Reference to the Conceptual Framework;
- Amendments to IAS 16 Property, Plant and equipment: Proceeds before Intended Use;
- Amendments to IAS 37 Onerous Contracts – Cost of Fulfilling a Contract;
- Amendments to Annual Improvements 2018-2020 – IFRS 9 – Fees in the '10 per cent' Test, IFRS 16 – Lease incentive, IAS 41 – Taxation in Fair Value Measurements;
- Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules.

The following standard and amendments issued by the IASB have been endorsed by the UK and the EU and have not been adopted by the company:

- IFRS 17 – Insurance contracts (effective from the year ending 30 June 2024) is ultimately intended to replace IFRS 4;
- Amendments to IAS 12 – Income taxes (effective from the year ending 30 June 2024).

There are a number of other amendments and clarifications to IFRSs, effective in future years, which are not expected to significantly impact the company's results or financial position.

Functional and presentational currency

These financial statements are presented in sterling (£), which is the company's functional currency.

All financial information presented in sterling (£) has been rounded to the nearest thousand unless otherwise stated.

Finance income/charges

Finance income/charges are recognised in the statement comprehensive income in the year in which they are earned/incurred.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the financial year end exchange rates and these foreign exchange differences are recognised in the statement comprehensive income.

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****1. ACCOUNTING POLICIES (continued)****Investments in subsidiaries and associates**

Investments in subsidiaries and associates are stated at historical cost less impairment provisions for any permanent decrease in value. The carrying amounts of the company's investments are reviewed at each reporting date to determine whether there is an indication of impairment. If such an indication exists, then the asset's recoverable amount is estimated. Losses are recognised in the statement of comprehensive income to reflect an impairment against the carrying value. Where an event results in the asset's recoverable amount being higher than the previously impaired carrying value, the original impairment may be reversed through the statement comprehensive income in subsequent periods.

Financial assets and liabilities

Financial assets are initially recorded at fair value, where permitted by IFRS 9, including any directly attributable transaction costs. For those financial assets that are not subsequently held at fair value, the company assesses whether there is evidence of impairment at each balance sheet date. The company classifies its financial assets into the following categories: financial assets at amortised cost, financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income. Where financial assets are eligible to be carried at either amortised cost or fair value, the company does not apply the fair value option.

Trade and other receivables Amounts owed by other group companies are initially measured at fair value and are subsequently reported at amortised cost. Non-interest-bearing trade receivables are stated at their nominal value as they are due on demand. Allowances for expected credit losses are made based on the risk of non-payment taking into account ageing, previous experience, economic conditions and forward-looking data. Such allowances are measured as either 12-months expected credit losses or lifetime expected credit losses depending on changes in the credit quality of the counterparty.

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

Trade and other payables Trade payables are non-interest bearing and are stated at their nominal value as they are due on demand. Amounts owed to other group companies are initially measured at fair value and are subsequently reported at amortised cost.

Taxation

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax benefits are not recognised unless it is probable that the tax positions are sustainable. Once considered to be probable, tax benefits are reviewed each year to assess whether a provision should be taken against full recognition of the benefit on the basis of potential settlement through negotiation and/or litigation. Tax provisions are included in current liabilities. Penalties and interest on tax liabilities are included in profit before taxation. In prior years penalties and interest on tax liabilities were provided for in the tax charge.

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****1. ACCOUNTING POLICIES (continued)****Dividends**

The interim dividend is included in the financial statements in the year in which it is approved by the directors, and the final dividend in the year in which it is approved by shareholders. Dividends received are included in the financial statements in the year in which they are receivable.

Judgements in applying accounting policies and key sources of estimation uncertainty

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

The critical accounting policy, which the directors consider is of greater complexity and particularly subject to the exercise of judgements and estimates, is set out in detail in the accounting policy for investments in subsidiaries and associates. A critical accounting judgement, specific to the company, is the assessment that recoverable amount of the company's investment in subsidiaries and associates is greater than the carrying amount. Impairment reviews are carried out to ensure that the value of the investments in subsidiaries and associates are not carried at above their recoverable amounts. Certain impairment reviews are dependent on management's estimates in respect of the forecasting of future cash flows, the discount rates applicable to the future cash flows and expected growth rates. Such estimates and judgements are subject to change as a result of changing economic conditions and actual cash flows may differ from forecasts.

2. OPERATING INCOME

	Year ended 30 June 2023 £ 000	Year ended 30 June 2022 £ 000
Operating income		
Other operating income	<u>204</u>	<u>100</u>

Other operating income represents a foreign exchange gain of £204,000 (2022 - £100,000).

The auditors' remuneration of £11,655 (2022 - £10,500) was paid on behalf of the company by a fellow group undertaking. There were no fees payable to the independent auditors in respect of non-audit services (2022 - £nil).

The company did not employ any staff during either the current or prior year.

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2022 - £nil). The directors were paid by fellow group undertakings, and no cost was recharged to the company.

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

3. INCOME FROM SHARES IN GROUP AND ASSOCIATE UNDERTAKINGS

	Year ended 30 June 2023 £ 000	Year ended 30 June 2022 £ 000
Dividend income from shares in group undertakings		
UDV (SJ) Limited	<u>871,601</u>	<u>328,313</u>
Dividend income from associate undertakings		
Sichuan Swellfun Co., Ltd	<u>9,434</u>	<u>10,236</u>

Dividend income from shares in group undertakings of £871,601,000 (2022 - £328,313,000) was settled by receiving an amount due from a fellow group undertaking.

Net dividend income from shares in associate undertakings during the year ended 30 June 2023 amounted to £8,491,000 (2022 - £9,212,000). Withholding tax suffered in respect of the dividends received amounted to £943,000 (2022 - £1,024,000).

4. NET FINANCE INCOME/(CHARGES)

	Year ended 30 June 2023 £ 000	Year ended 30 June 2022 £ 000
Interest from/(charge to) fellow group undertakings		
Diageo Finance plc	<u>844</u>	<u>(812)</u>
Net finance income/(charges)	<u>844</u>	<u>(812)</u>

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

5. TAXATION ON PROFIT ON ORDINARY ACTIVITIES

	Year ended 30 June 2023 £ 000	Year ended 30 June 2022 £ 000
(a) Analysis of taxation charge for the year		
Current tax		
Foreign taxes suffered	(943)	(1,024)
Total current tax	(943)	(1,024)
Total deferred tax	—	—
Taxation on profit on ordinary activities	(943)	(1,024)
(b) Factors affecting total tax charge for the year		
Profit on ordinary activities before taxation	882,083	337,837
Taxation on profit on ordinary activities at UK corporation tax rate of 20.5% (2022 - 19%)	(180,791)	(64,189)
Expenses not deductible for tax purposes	(1,407)	—
Income not taxable	180,576	65,243
Group relief surrendered/(claimed) for nil consideration	1,622	(1,054)
Foreign taxes suffered	(943)	(1,024)
Total tax charge for the year	(943)	(1,024)

The UK corporation tax rate increased from 19% to 25% on 1 April 2023 and so an average tax rate of 20.50% is applied for the year ended 30 June 2023.

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS

Shares in subsidiary and associate undertakings

	Subsidiaries	Associates	Total
	£ 000	£ 000	£ 000
Cost			
At 30 June 2022 and 30 June 2023	14,529,538	774,362	15,303,900
Provision for impairment			
At 30 June 2022 and 30 June 2023	(4,485,655)	(107,234)	(4,592,889)
Carrying amount			
At 30 June 2022 and 30 June 2023	10,043,883	667,128	10,711,011

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows. Unless otherwise stated the percentage of shares held are in respect of ordinary share capital.

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Direct holdings				
<i>Subsidiary undertaking</i>				
UDV (SJ) Limited		16 Great Marlborough Street, London, W1F 7HS, United Kingdom	100%	100%
<i>Associate undertaking</i>				
Sichuan Swellfun Co., Ltd	(ix, xi)	No. 9 Quanxing Road, Jinniu District, 610036, Chengdu City, China	63.16%	33.57%
Indirect holdings				
<i>Subsidiary undertakings</i>				
Anejos De Altura, Sociedad Anonima	(x)	Calle 8-19 zona 9, Quetzaltenango, Guatemala	50%	50%
Atalantaf Limited		Victoria Place, 5th Floor, 31 Victoria Street, Hamilton, HM 10, Bermuda	100%	100%

* The percentage of shares held by the immediate shareholder(s) of the subsidiary

** Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Subsidiary undertakings (continued)</i>				
Bundaberg Distilling Company Pty. Limited	(iii)	Whitted Street, QLD, 4670, Bundaberg, Australia	100%	100%
Bundaberg Distilling Investments Pty Ltd	(iv)	162 Blues Point Road, Level 1, NSW, 2060, McMahons Point, Australia	100%	100%
Diageo Angola Limitada		Rua Fernao de Sousa, Condominio Bengo, Letter A, 11.s floor, Fraction A37, neighbourhood Vila Alice, Province of Luanda, Angola	100%	100%
Diageo Atlantic B.V.		Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	100%
Diageo Australia Limited	(iv)	Level 7, 99 Macquarie Street, Sydney, NSW 2000, Australia	100%	100%
Diageo Brands Nigeria Ltd	(ii)	Oba Akran Avenue Ikeja, 24, Lagos, PMB 21071, 100001, Nigeria	100%	100%
Diageo Business Services Private Company Limited by Shares		Dozsa Gyorgy ut 144, Budapest, 1134, Hungary	100%	100%
Diageo Eire Finance & Co	(i)	16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
Diageo Employee Ownership Program Organization		Dozsa Gyorgy ut 144, Budapest, 1134, Hungary	99.94%	99.94%
Diageo Finance US Limited		16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
Diageo Financing Turkey Limited		16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
Diageo Hungary Marketing Services Limited Liability Company		Dozsa Gyorgy ut 144, Budapest, 1134, Hungary	100%	100%
Diageo Investment Holdings Limited		16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Subsidiary undertakings (continued)</i>				
Diageo Ireland Finance 1 Unlimited Company		St. James's Gate, Dublin 8, Ireland	100%	100%
Diageo Korea Co. Ltd		932-94, Daewol-ro, Daewol-myun, Icheon-shi, Gyeonggi-do, Icheon, 17342, South Korea	100%	100%
Diageo Overseas Holdings Limited	(viii)	16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
Diageo Supply Marracuene Lda.		Estrada Nacional numero 1, Micanhine, Marracuene, Mozambique	100%	100%
Diageo UK Turkey Holdings Limited		16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
DIREF Industria de Bebidas,Lda-Angola JV		Rua Dom Eduardo Andre Muaca, S/No, LOTE C4, Luanda, Angola	50.1%	50.1%
Guinness Canada Limited		Labatt House, 207 Queen's Quay West, Suite 299, Ontario, M5J 1A7, Toronto, Canada	51%	51%
Guinness Nigeria plc		Oba Akran Avenue Ikeja, 24, Lagos, PMB 21071, 100001, Nigeria	58.02%	58.02%
Guinness Overseas Limited		16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
Rum Creation & Products Inc.	(v, x)	Commerce House, Wickhams Cay 1, PO Box 3140, Road Town, Tortola, British Virgin Islands	50%	50%
ULM Holdings Inc.	(i, x)	Unit 1, 17th Floor, Ore Central 9th Avenue corner 31st Street Bonifacio Global City, Taguig City, 1634, Philippines	40%	40%
Windsor Global Co., Ltd.		932-94, Daewol-ro, Daewol-myun, Icheon-shi, Gyeonggi-do, 17342, Icheon, South Korea	100%	100%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS IN SUBSIDIARIES (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings</i>				
21Seeds Inc.	(ix)	300 Delaware Ave Ste 210-A Wilmington, DE 19801, United States	100%	25.5%
Agropecuarias Las Marias I C.A.	(ix)	Carretera Nacional Acarigua-Barquisimeto Casa Agropecuaria Las Marias I C.A.S-N Sector los Guayones La Miel, Lara., Venezuela	100%	25.5%
AGS Employee Shares Nominees (Ireland) Designated Activity Company	(ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Anyslam Investments	(ii, ix)	16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	25.5%
Arran Tradings, C.A.	(ix)	Calle 1 Este, Edificio y Galpon BTP, Zona Industrial La Caracarita, Municipio Los Guayos, estado Carabobo, Venezuela	100%	25.5%
Arthur Guinness Son & Company (Dublin) Unlimited Company	(i, ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Aviation Gin LLC	(ix)	381 Park Avenue South, Suite 1015, New York, NY 10016, United States	100%	25.5%
Balcones Distilling LLC	(ix)	5444 Westheimer 1000, Houston, TX 77056, United States	100%	25.5%
Ballroom Acquisition, Inc.	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
California Simulcast Inc.	(i, ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	80%	20.4%
CASA UM, S.A.P.I. DE C.V.	(ix)	Calle Gobernador Rafael Rebollar 95, Col San Miguel de Chapultepec, Del Miguel Hidalgo CP 11850, Mexico City, Mexico	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Casamigos Spirits Company LLC	(ix)	3411 Silverside Road Tatnall Building, Ste 104 Wilmington, DE 19810, United States	100%	25.5%
Casamigos Tequila LLC	(ix)	3411 Silverside Road Tatnall Building, Ste 104 Wilmington, DE 19810, United States	100%	25.5%
Chengdu Jianghai Trade Development Co. Limited		No. 9 Quanxing Road, Jinniu District, Chengdu, 610036, China	100%	16.98%
Chengdu Ruijin Trading Co. Limited		No. 998, Juanxing Road, Hongguang County, Chengdu, 610000, China	100%	16.11%
Chengdu Shuijingfang Fangcang Liquor Sales Co. Ltd		27 Shuijing Street, Jinjiang District, Chengdu, 610065, China	100%	16.11%
Chengdu Swellfun Liquor Co. Limited		No. 38 Jiuyuan Road, Kongming Street, Qionglai, Chengdu, China	100%	32.86%
Chengdu Swellfun Marketing Co. Limited		No. 21 Shuijing Street, Jinjiang District, Chengdu, 610011, China	63.16%	16.11%
Chengdu Tengyuan Liquor Marketing Co. Limited		No. 9 Quanxing Road, Jinniu District, Chengdu, 610036, China	63.16%	16.11%
Clyde Trading, C.A.	(iii, ix)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%	25.5%
Cupar Trading, C.A.	(iii, ix)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%	25.5%
D Distribution Joint-Stock Company	(ix)	Kaspiyskaya Street, 22, main bld. 1, bld. 5, floor 3, apartment VII, room 31a, 115304, Moscow, Russia	100%	25.5%
Davos Brands LLC	(ix)	381 Park Avenue South, Suite 1015, New York, NY 10016, United States	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Davos Services LLC	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo - Lebanon SAL	(ix)	Beirut Symposium Bldg, 10th floor, Beirut, POBox 113-5250, Lebanon	84.99%	21.67%
Diageo (Shanghai) Limited	(ix)	No.28 Jiafeng Road, 2502, 5, Pudong District, 200137, Shanghai, China	100%	25.5%
Diageo Americas Supply Quebec Distribution Inc.	(ix)	Boul Henri-Bourassa E., 9225, Local A, Quebec, H1E 1P6, Montreal, Canada	100%	25.5%
Diageo Americas Supply, Inc.	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo Americas, Inc.	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo Asia Pacific Shared Services Centre Limited, Inc.	(ix)	10th Floor Commerce and Industry Plaza Building, McKinley Hill Dr, Taguig, 1634, Philippines	100%	25.5%
Diageo Austria GmbH	(ix)	Teinfaltstrasse 8, 1010, Wien, Austria	100%	25.5%
Diageo Balkans S.R.L.	(ix)	Expo Business Park, Street Aviator Popisteanu 54A, Cladirea 2, et 1-3, Sector 1, Bucurest, 012244, Romania	100%	25.5%
Diageo Beer Company USA	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo Belgium N.V.	(ix)	Z.3 Doornveld 150, 1731, Zellik, Belgium	100%	25.5%
Diageo Brands B.V.	(ix)	Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	25.5%

* The percentage of shares held by the immediate shareholder(s) of the subsidiary

**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Diageo Brands Distributors LLC	(ix)	Kaspiyskaya Street, 22, main bld. 1, bld. 5, floor 3, apartment VII, room 31a, 115304, Moscow, Russia	100%	25.5%
Diageo Brasil Ltda	(ix)	Rua Olimpiadas, 205, floor 14-15, 04551-000, Sao Paulo, Brazil	100%	25.5%
Diageo Bulgaria Ltd	(ix)	7 Iskarsko Shose Blvd., Trade Center Europe, building 12, floor 2, 1528, Sofia, Bulgaria	100%	25.5%
Diageo Business Services India Private Limited	(ix)	Kempapura Main Road, Opp Nagawara Lake, Karle SEZ Tower, 2nd floor, Karnataka, 560045, Bangalore, India	100%	25.5%
Diageo Cameroon Ltd		535 rue AFCODI, Douala P.O. Box 1245, Cameroon	100%	25.5%
Diageo Canada Holdings Inc.	(ix)	134 Peter Street, Suite 1501, Ontario, M5V 2H2, Toronto, Canada	100%	25.5%
Diageo Canada Inc.	(ix)	134 Peter Street, Suite 1501, Ontario, M5V 2H2, Toronto, Canada	100%	25.5%
Diageo Chile Limitada	(ix)	Avenida Apoquindo 5950, Piso 4, Oficina 04-103, Las Condes Santiago de Chile, Chile	100%	25.5%
Diageo China Limited	(ix)	41F, One Museum Place, 669 Xinzha Road, Jingan District, Shanghai, China	100%	25.5%
Diageo Colombia S.A.	(ix)	100 street No.13 21 Office 502. Bogota, Colombia	100%	25.62%
Diageo Costa Rica S.A.	(ix)	Trejos Montealegre, Edificio Escazu, Village II, Oficinas 03-118 y 03-120, Distrito San Rafael, San Jose, Costa Rica	100%	25.5%
Diageo Croatia d.o.o.za usluge	(ix)	Hektoroviceva ulica 2, 10000, Zagreb, Croatia	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Diageo Czech Marketing Services LLC	(ix)	Namesti I. P. Pavlova 1789/5. 4th floor, 120 00, Prague 2, Czech Republic	100%	25.5%
Diageo de Argentina S.A.	(ix)	Bernardo de Irigoyen 972, floor 7, office A, CABA, Argentina	100%	25.5%
Diageo Denmark AS	(ix)	Sundkrosgsgade 19, 2. 2100, Copenhagen, Denmark	100%	25.5%
Diageo Distilleries Private Limited	(ix, vii)	Marathon Futurex, A-Wing, 2601, 26th Floor, N M Joshi Marg, Lower Parel, Mumbai, 400 013, India	100%	25.5%
Diageo Distribution Company Limited	(ix)	16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	25.5%
Diageo Dominicana S.R.L.	(ix)	Num. 07 Av. Jacinto Ignacio Manon, Sector Ensanche Paraiso, Edificio Chez Space, Piso 3rd, Distrito Nacional, Santo Domingo, Dominican Republic	100%	25.5%
Diageo Espana S.A.	(ix)	Avda de la Victoria 32, Edificio Spirit, 28023, Madrid, Spain	100%	25.5%
Diageo Export SR Inc.	(i, ix)	Unit 1, 17th Floor, Ore Central 9th Avenue corner 31st Street Bonifacio Global City, Taguig City, 1634, Philippines	99.84%	25.46%
Diageo Germany GmbH	(ix)	Reeperbahn 1, 20359, Hamburg, Germany	100%	25.5%
Diageo Global Supply IBC Limited	(ix)	3rd Floor Capital House, 3 Upper Queen Street, Belfast, United Kingdom	100%	25.5%
Diageo Hellas S.A.	(ix)	Leof. Kifisias 115, Athens, 115 24, Greece	100%	25.51%
Diageo Highlands Holding B.V.	(ix)	Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	25.5%
Diageo Holdings Netherlands B.V.	(ix)	Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Diageo Inc.	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo India Private Limited	(ix)	Marathon Futurex, A-Wing, 2601, 26th Floor, N M Joshi Marg, Lower Parel, Mumbai, 400 013, India	100%	25.5%
Diageo Investment Corporation	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo Ireland Holdings Unlimited Company	(ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Diageo Ireland Quebec Distribution Inc.	(ix)	Boul Henri-Bourassa E., 9225, Local A, Quebec, H1E 1P6, Montreal, Canada	100%	25.5%
Diageo Ireland Unlimited Company	(ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Diageo Italia S.p.A.	(ix)	Via Ernesto Lugaro 15, 10126, Torino, Italy	100%	25.5%
Diageo Japan Administration Services K.K.	(ix)	9-7-1 Akasaka, Minato-ku, Tokyo 164-0001, Japan	100%	25.5%
Diageo Japan K.K.	(ix)	9-7-1 Akasaka, Minato-ku, Tokyo 164-0001, Japan	100%	25.5%
Diageo Kenya Limited	(ix)	L R NO 1870/1/176, Aln House, Eldama Ravine Close, off Eldama Ravine Road, Westlands, Nairobi, Kenya	100%	25.5%
Diageo Latin America & Caribbean LLC	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo Lebanon Holding SAL	(ix)	Verdun Street, Ibiza Building, Beirut, PO Box 113-5631, Lebanon	99.98%	25.49%
Diageo LENA Off-shore SAL	(ix)	Verdun Street, Ibiza Building, Beirut, PO Box 113-5631, Lebanon	99.9%	25.47%

* The percentage of shares held by the immediate shareholder(s) of the subsidiary

**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Diageo Liquor (Dali) Co., Ltd	(ix)	Fengxiang Village Fengyu Town, Eryuan County, Dali Bai Minority Region, Yunnan Province, China	100%	25.5%
Diageo Liquor Technology (Shanghai) Co. Ltd	(ix)	Unit 1101, 1102, Building 16, No.1000 Jinhai Road, Shanghai, China	100%	25.5%
Diageo Loyal Spirits Corporation	(ix)	1425 South Kingstown Road, South Kingstown, RI 02879, United States	100%	25.5%
Diageo Mexico Comercializadora S.A. de C.V.	(ix)	Carretera Atotonilco - Guadalajara, Atotonilco el Alto, Jalisco, 47750, Mexico	100%	25.5%
Diageo Mexico II, S.A. de C.V.	(ix)	Av. Ejercito Nacional, 843-B, Torre Paseo Acceso B, 2, Mexico City, 11520, Mexico	100%	25.5%
Diageo Mexico Operaciones S.A. de C.V.	(ix)	Porfirio Diaz 17, Jalisco, 47750, Atotonilco el Alto, Mexico	100%	25.5%
Diageo Mexico SA de CV	(ix)	Carretera Atotonilco - Guadalajara, Atotonilco el Alto, Jalisco, 47750, Mexico	100%	25.5%
Diageo Mexico Spirits	(ix)	Porfirio Diaz 17, Jalisco, 47750, Atotonilco el Alto, Mexico	100%	25.5%
Diageo Nederland B.V.	(ix)	Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	25.5%
Diageo Non-Alcohol Beverages LLC		175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo North America Foundation, Inc.	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo North America, Inc.	(iii, ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Diageo Norway AS	(ix)	Apotekergata 10, 0180 Oslo, Norway	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Diageo Nueva Esparta, C.A.	(i, ix)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	99.9%	25.47%
Diageo Operations Italy S.p.A.	(ix)	Strada Statale 63, 12069, Santa Vittoria d'Alba (CN), Italy	100%	25.5%
Diageo Panama S.A.	(ix)	Costa del Este, Ave La Rotonda, Business Park, Torre V. piso 15 Panama City, Panama	100%	25.5%
Diageo Paraguay S.R.L.	(ix)	Avda Aviadores del Chaco 2050. Edificio World trade center. Torre 3 piso 11, Paraguay	100%	25.5%
Diageo Peru S.A.	(ix)	Victor Andres Belaunde 147, Vía Principal 133, Interior 107, Piso 10, San Isidro, Lima, Peru	100%	25.5%
Diageo Philippines Free Port Inc	(i, ix)	Unit 1, 17th Floor, Ore Central 9th Avenue corner 31st Street Bonifacio Global City, Taguig City, 1634, Philippines	99.99%	25.5%
Diageo Philippines Inc.	(ix)	Unit 1, 17th Floor, Ore Central 9th Avenue corner 31st Street Bonifacio Global City, Taguig City, 1634, Philippines	99.99%	25.5%
Diageo Polska Sp. z o.o.	(ix)	Przyokopowa Str. 31, PL 01 – 208 Warsaw, Poland	100%	25.5%
Diageo Portugal - Distribuidora de Bebidas, Unipessoal, Lda	(ix)	Avenida D. Joao II, No 50, piso 2, letra D, Edificio Mar Vermelho, 1990-095 Lisboa, Portugal	100%	25.5%
Diageo Relay B.V.	(iii, ix)	Molenwerf 12, 1014 BG, Amsterdam, Netherlands	25.5%	25.5%
Diageo Retirement Savings Plan Pension Trustee Designated Activity Company		St. James's Gate, Dublin 8, Ireland	100%	25.5%
Diageo Reunion SAS	(ix)	45 Rue Alexis De Villeneuve 97400 Saint-Denis, La Reunion	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Diageo RTD Hong Kong Limited	(ix)	31/F, Tower two, Times Square, 1 Matheson street Causeway Bay, Hong Kong, Hong Kong	100%	25.5%
Diageo Singapore Pte Ltd.	(ix)	112 Robinson Road, 1, 5th Floor, 1, Singapore 68902, Singapore	100%	25.5%
Diageo Supply Chain (Shenzhen) Co., Ltd	(ix)	Unit B, 2nd Floor, West Logistics Center, No. 88 Linhai Avenue, Nanshan Street, Shenzhen, China	100%	25.5%
Diageo UK Turkey Limited		16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	100%
Diageo Sweden AB	(ix)	Gavlegatan street 22/C, 11330, Stockholm, Sweden	100%	25.5%
Diageo Taiwan Inc.	(ix)	Panama city, West Boulevard, PH ARIFA, 9th and 10th, Santa Maria Business, Panama	100%	25.5%
Diageo Turkey Holdings Limited	(ii, ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Diageo Ukraine LLC	(ix)	1v Pavla Tychyny avenue , 2152, Kyiv, Ukraine	100%	25.5%
Diageo Uruguay SA	(ix)	Pasaje Paseo De Las Carretas, 2580, oficina 1301, Montevideo, Uruguay	100%	25.5%
Diageo US Investments	(ii, ix)	16 Great Marlborough St, London, W1F 7HS, United Kingdom	100%	25.5%
Diageo USVI Inc.	(ix)	1 Estate Annaberg & Shannon Grove, RR1 Box 9400, Kingshill, VI 00850-9703, United States	100%	25.5%
Diageo Venezuela C.A.	(ix)	Ave. San Felipe Urbanización La Castellana, Edificio Centro Coinasa, Piso 6. Caracas, 1060, Venezuela	100%	25.5%
Diageo Vietnam	(ix)	No. 157, 21/8 Street, Phuoc My Ward, Phan Rang - Thap Cham City, Ninh Thuan Province, Vietnam	100%	25.5%

* The percentage of shares held by the immediate shareholder(s) of the subsidiary

**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Don Julio Agavera S.A. de C.V.	(ix)	Porfirio Diaz 17, Jalisco, 47750, Atotonilco el Alto, Mexico	100%	25.5%
DV Paraguana, C.A.	(i, ix)	Av Intercomunal Ali Primera, Los Taques, Estado Falcón, Venezuela	100%	25.5%
DV Release, C.A.	(ix)	Calle 1 con calle Calle 1 Este, Edificio y Galpon BTP, Zona Industrial La Caracarita, Municipio Los Guayos, estado Carabobo, Venezuela	100%	25.5%
DV Trading, C.A.	(iii, ix)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%	25.5%
Far West Spirits LLC	(ix)	2950 North Loop W Ste 1200 Houston, TX 77092-8808, United States	99%	25.25%
Gilbeys of Ireland Unlimited Company	(i, ix)	Nangor House, Western Estate, Nangor Road, Dublin, 12, Ireland	100%	25.5%
Global Farming Initiative B.V.		Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	25.5%
Guinness France Holdings SAS	(ix)	4 Rue Jules Lefebvre, 75009, Paris, France	100%	25.5%
Guinness Ghana Breweries Plc	(ix)	Guinness Brewery, Plot 1 Block L, Industrial Area, Kaasi, P. O. Box 1536, Kumasi, Ghana	80.4%	20.5%
Guinness Storehouse Limited	(ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Industrias Pampero C.A.	(ix)	Ave. San Felipe Urbanización La Castellana, Edificio Centro Coinasa, Piso 6. Caracas, 1060, Venezuela	96.8%	24.68%
International Distillers - Zimbabwe (Private) Limited	(i, ix)	48 Midlothian Avenue, Eastlea, Harare, Zimbabwe	100%	25.5%
Irish Ale Breweries Holdings Unlimited Company	(i, iv, ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
Islay Trading, C.A.	(ix)	Calle 1 con calle Calle 1 Este, Edificio y Galpon BTP, Zona Industrial La Caracarita, Municipio Los Guayos, estado Carabobo, Venezuela	100%	25.5%
L4L Trading, C.A.	(ix)	Calle 1 con calle Calle 1 Este, Edificio y Galpon BTP, Zona Industrial La Caracarita, Municipio Los Guayos, estado Carabobo, Venezuela	100%	25.5%
Liquor Investment LLC	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Lismore Trading, C.A.	(ix)	Calle 1 con calle Calle 1 Este, Edificio y Galpon BTP, Zona Industrial La Caracarita, Municipio Los Guayos, estado Carabobo, Venezuela	100%	25.5%
Mey Alkollü İçkiler Sanayi ve Ticaret A.Ş.	(ix)	Esentepe Mah. Bahar Sk. Ozdilek River Plaza Vyndham Grand Apt. No 13/25 Sisli, Istanbul, Turkey	100%	25.5%
Mey İçki Sanayi ve Ticaret A.Ş.	(ix)	Esentepe Mah. Bahar Sk. Ozdilek River Plaza Vyndham Grand Apt. No 13/25 Sisli, Istanbul, Turkey	100%	25.5%
Mull Trading C.A.	(i, ix)	Av La Hormiga con Intersección de la Carretera via Payara, C.C. Tierra Buena Acarigua, Venezuela	100%	25.5%
North Island United Enterprise Holdings Inc	(i, ix)	Unit 1, 17th Floor, Ore Central 9th Avenue corner 31st Street Bonifacio Global City, Taguig City, 1634, Philippines	100%	25.5%
PT Langgeng Kreasi Jayaprima	(ix)	Jl. Raya Kaba-Kaba No. 88, Banjar Carik Padang, Desa Nyambu, Kecamatan Kediri, Kabupaten Tabanan, Provinsi Bali, Indonesia	80%	20.4%
R & A Bailey & Co Unlimited Company	(ix)	Nangor House, Western Estate, Nangor Road, Dublin, 12, Ireland	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited**Registered number: 00970624****Year ended 30 June 2023****NOTES TO THE FINANCIAL STATEMENTS (continued)****6. INVESTMENTS (continued)**

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
R & A Bailey Pension Trustee Designated Activity Company	(i, ix)	St. James's Gate, Dublin 8, Ireland	100%	25.5%
Selviac Nederland B.V.	(ix)	Molenwerf 12, 1014 BG, Amsterdam, Netherlands	100%	25.5%
Servicios Agavera, S.A. de C.V.	(ix)	Porfirio Diaz 17, Jalisco, 47750, Atotonilco el Alto, Mexico	100%	25.5%
Seychelles Breweries Limited	(ix)	O'Brien House, 273 Le Rocher, Mahe, Seychelles	54.4%	36.22%
Sichuan Chengdu Shuijingfang Group Co., Ltd	(ix)	No. 9 Quanxing Road, Jinniu District, Chengdu, 610036, China	100%	25.5%
Sichuan Swellfun Co., Ltd	(ix)	No. 9 Quanxing Road, Jinniu District, Chengdu, 610036, China	63.16%	33.57%
Skye Trading C.A.	(ix)	Calle 1 con calle Calle 1 Este, Edificio y Galpon BTP, Zona Industrial La Caracarita, Municipio Los Guayos, estado Carabobo, Venezuela	100%	25.5%
Soh Spirits LLC	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Sombra Mezcal S. de R.L. de S.V.	(ix)	Independencia SN Santiago, Matatlán, Oaxaca 70440, Mexico	100%	25.5%
Stirrings LLC	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Streetcar Investment Holding Pte. Ltd.	(ix)	112 Robinson Road, 1, 5th Floor, 1, Singapore 68902, Singapore	100%	25.5%
Sumagro Limited	(i, ix)	CRB Africa Legal Attorneys, Plot 60, Ursino Street P.O. Box 32840, Dar es Salaam, Tanzania	99.99%	25.5%
Swellfun (Beijing) Consulting Co. Ltd		No. 7 Guanghua Road, Chaoyang District, Beijing, 100020, China	100%	33.57%
Swellfun (Shanghai) Consulting Co. Ltd		41F, One Museum Place, 669 Xinzha Road, Jingan District, Shanghai, China	100%	33.57%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

Name of investment	Notes	Registered office address	Proportion of ownership interest %*	Proportion of effective interest %**
Indirect holdings (continued)				
<i>Associate undertakings (continued)</i>				
The Bulleit Distillery, Inc.	(i, ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
UDV Ireland Group (Trustees) Designated Activity Company	(i, ix)	Nangor House, Western Estate, Nangor Road, Dublin, 12, Ireland	100%	25.5%
Vivanda Inc.	(ix)	3411 Silverside Road Tatnall Building, Ste 104 Wilmington, DE 19810, United States	100%	25.5%
Whisky Archive Inc.	(ix)	175 Greenwich Street, Three World Trade Center, New York, NY 10007, United States	100%	25.5%
Ypioca Agricola LTDA	(ix)	Fazenda Santa Eliza, Zona Rural, Ceará, 62.685-000, Paraipaba, Brazil	100%	25.5%
Ypioca Industrial de Bebidas S.A.	(ix)	Município de Itaitinga, Estado do Ceara, na Rodovia BR 116, no 15.000, Bairro Jiboia, CEP 61.880-000, Brazil	100%	25.5%
Zeta Importers C.A.	(iii, ix)	Av. Circunvalacion Norte (Jose Asunsion Rodriguez) Edificio Distribuidora Metropol, Porlamar, Estado Nueva Esparta, Venezuela	100%	25.5%

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**Effective percentage of shares held owned by the company directly and indirectly

Grand Metropolitan International Holdings Limited
Registered number: 00970624
Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. INVESTMENTS (continued)

- (i) Dormant company.
- (ii) In liquidation.
- (iii) Ownership held in class of A shares and B shares.
- (iv) Ownership held in class of A shares.
- (v) Ownership held in class of B shares.
- (vi) 50% held directly and 50% held indirectly.
- (vii) Ownership held in equity shares and preference shares.
- (viii) Ownership held in class of preference shares.
- (ix) Subsidiary at group level but an associate based on the effective percentage of shares held by the company.
- (x) Subsidiary based on management's assessment.
- (xi) 23.44% held directly, 10.13% held indirectly.

7. TRADE AND OTHER RECEIVABLES

	30 June 2023 £ 000	30 June 2022 £ 000
Amounts owed by fellow group undertakings		
Diageo Finance plc	2,345	—
Sichuan Swellfun Co., Ltd	59,325	57,697
	<u>61,670</u>	<u>57,697</u>

Amounts owed by Diageo Finance plc represent loans which are unsecured and bear interest at a floating rate.

The amount owed by Sichuan Swellfun Co., Ltd represents dividends declared, but not yet paid. The amount of dividend receivable is recoverable based on management's assessment.

8. TRADE AND OTHER PAYABLES

	30 June 2023 £ 000	30 June 2022 £ 000
Amounts owed to fellow group undertakings		
Diageo Finance plc	<u>—</u>	<u>5,566</u>

Amounts owed to Diageo Finance plc represent loans which are unsecured and bear interest at a floating rate.

9. CALLED UP SHARE CAPITAL

Allotted, called up and fully paid:

	30 June 2023 £
1 (2022 - 1) ordinary shares of £1 each	<u>1</u>

Grand Metropolitan International Holdings Limited

Registered number: 00970624

Year ended 30 June 2023

NOTES TO THE FINANCIAL STATEMENTS (continued)

10. CONTINGENT LIABILITIES

The company issued letters of comfort to certain fellow group undertakings projected to have net current liabilities to enable them to continue to be accounted as going concerns, as and when required. The letter of comfort cannot be enforced as a guarantee or other legal obligation.

11. POST BALANCE SHEET EVENTS

Starting 1 July 2023, the ultimate parent of the company, Diageo plc has changed its functional currency from sterling to US dollar which is applied prospectively. Diageo plc has also decided to change its presentation currency to US dollar with effect from 1 July 2023, applied retrospectively.

The company is a holding entity of the Diageo group carrying out activities as an extension of the direct parent. In line with reporting requirements the company followed its direct parent and changed functional currency from sterling to US dollar starting 1 July 2023 which is applied prospectively. The company also decided to change its presentation currency to US dollar with effect from 1 July 2023, applied retrospectively.

As a result of the functional and presentational currency change of the company from 1 July 2023, to manage the changed foreign currency exposures of the company, the sterling denominated intercompany loan of the entity has been converted from sterling to US dollar on transition date with no material fair value impact and no cash settlement. The amount of the intercompany loan denominated in sterling was £64,436,000, which has been converted to \$81,190,000.

12. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the company is Grand Metropolitan Limited, a company incorporated and registered in England, United Kingdom.

The ultimate parent undertaking of the company is Diageo plc which is the ultimate controlling party of the group. The ultimate parent undertaking and the smallest and largest group to consolidate these financial statements is Diageo plc. Diageo plc is incorporated and registered in England, United Kingdom. The consolidated financial statements of Diageo plc can be obtained from the registered office at Diageo, 16 Great Marlborough Street, London, W1F 7HS, United Kingdom.