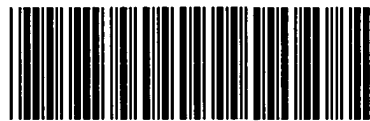


Company Registration No. 01322325

**SENSIENT HOLDINGS UK**

**Annual Report and Financial Statements  
Year ended 31 December 2022**

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**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

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**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

L C Watson

P Hensgen

**REGISTERED OFFICE**

Bilton Road

Bletchley

Milton Keynes

MK1 1HP

**AUDITORS**

Ernst & Young LLP

400 Capability Green

Luton

LU1 3LU

United Kingdom

## SENSIENT HOLDINGS UK

Company Registration No. 01322325

Annual Report and Financial Statements for the year ended 31st December 2022

### STRATEGIC REPORT

The directors present their Strategic Report for the year ended 31 December 2022.

#### Principal activities and review of the business

Sensient Holdings UK acts as the holding company for the European operation of the flavours and colours activities of the Sensient Technologies Corporation group, of Milwaukee, Wisconsin, USA.

The company's key financial and other performance indicators during the year are as follows:

	2022	2021	Change
	£'000	£'000	
Interest payable net of interest receivable	(87)	(199)	(56%)
(Loss)/Profit after tax	(876)	(481)	(82%)
Current assets as % of current liabilities	242%	231%	11%

Interest payable net of interest receivable decreased by 56% as a result of an increase in interest charge on intercompany deposits, where there was a higher average deposit balance held throughout 2022.

In 2022 loss after tax was reduced against prior year but current loss driven by FX adjustments on foreign currency loans.

The group's "quick ratio" (current assets as a percentage of current liabilities) increased by 11% due to tax related adjustments within intercompany tax group payment arrangement.

#### Principal risks and uncertainties

The principal risk and uncertainty facing the company is liquidity risk.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses a mixture of long-term and short-term intercompany debt finance.

#### Section 172 (1) Statement

The revised UK Corporate Governance Code was published in July 2018 and applies to accounting periods beginning on or after January 1, 2021.

The Companies (Miscellaneous Reporting) Regulations 2018 required Directors to explain how they considered the interest of key stakeholders and the broader matters set out in section 172(1) (A) to (F) of the Companies Act 2006 ('S172') when performing their duty to promote the success of the Company under S172.

This S172 statement, explains how the Directors:

- have engaged with employees, suppliers, customers and others; and
- have had regard to employee interests, the need to foster the company's business relationships with suppliers, customers and other, and the effect of that regards, including on the principal decisions taken by the company during the financial year.

The S172 statement focuses on matters of strategic importance to the Company, and the level of information disclosed is consistent with the size and the complexity of the business.

**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

**STRATEGIC REPORT (CONTINUED)**

**General confirmation of Directors duties**

The Board has a clear framework for determining the matters within its remit and certain financial and strategic thresholds have been determined to identify matters requiring Board consideration and approval. The Delegation of Authority sets out the delegation and approval process across the broader business.

When making decisions, each Director ensures that the/she acts in the way he/she considers, in good faith, would most likely promote the Company's success for the benefit of its members as a whole, and in doing so have regard (among other matters) to:

**S172(1) (A) 'The likely consequences of any decision in the long term'**

The company is part of the Sensient Technologies Corporation group, which is a global group of companies listed on the New York Stock Exchange and all of its shares are held internally within the group. The Sensient Technologies Corporation group and all of its subsidiaries embrace the long-term sustainability of shareholder return into its core values. The business and its directors embody the core values of building the best team, continuously improving and driving innovation and this is included in each decision made in the short or long term.

**S172(1) (C) 'The need to foster the company's business relationships with suppliers, customers, and others'**

Delivering the Company's strategy requires strong mutually beneficial relationships with suppliers, customers, and government. The Company seeks the promotion and application of sound corporate governance principles in such relationships, and that governs the Company's approach to investment opportunities and reorganisations of its investment portfolio. The Company continuously assesses the priorities related to those with whom it does business, and the Board is involved in this process through business strategy updates on a variety of topics that indicate and inform how these stakeholders have been engaged. These range from information provided from the Finance and/or Legal Department (e.g. internal reorganisation proposals) to information provided by the Financial Planning and Analysis Department (related to business strategies and investment or divestment proposals).

**S172(1) (D) 'The impact of the company's operations on the community and the environment'**

The Board receives information on these topics to both provide relevant information for specific Board decisions (e.g., those related to specific strategic initiatives such as investment or divestment proposals, business strategy reviews, etc.) and to provide ongoing overviews (e.g., regular reports from Internal Audit).

**S172(1) (E) 'The desirability of the company maintaining a reputation for high standards of business conduct'**

The Company abides by its Code of Conduct, which contains our Standards of Conduct, Ethics, and Compliance programs. This ensures high standards of business conduct are maintained both within the Company and its business relationships.

**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

**STRATEGIC REPORT (CONTINUED)**

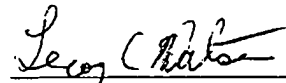
**S172(1) (F) 'The need to act fairly as between members of the company'**

After weighing up all relevant factors, the Directors consider which course of action best enables delivery of the Company's strategy through the long-term, taking into consideration the impact on stakeholders. In doing so, the Directors act fairly as between the Company's members but are not required to balance the Company's interest with those of other stakeholders, and this can sometimes mean that certain stakeholder interests may not be fully aligned.

**Streamlined Energy and Carbon Reporting (SECR)**

The company is an investment company and is a low energy user therefore it is not required to make detailed disclosures of energy and carbon usage.

Approved by the Board of Directors  
and signed on behalf of the Board



L C Watson

Director

Date: November 30, 2023

**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

**DIRECTORS REPORT**

The directors present their annual report and the audited financial statements for the year ended 31 December 2022.

**Results and dividends**

The loss before tax for the year of £876,125 (2021: £531,742) is dealt with in the profit and loss account. The company did not recommend payment of dividends for the year (2021: £Nil).

**Directors**

The directors who served during the year and to the date of this report were as follows:

D J Plautz (Resigned 23 May 2022)

L C Watson

P Hensgen (Appointed 23 May 2022)

**Directors qualifying third party provisions**

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors report.

**Disclosure of information to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

**Future developments**

The company expects to continue to operate as a holding company with financing costs at similar market rates.

**Going concern**

Whilst Sensient Holdings UK is not directly exposed to the food and beverage sector the business is indirectly exposed to this market sector as the investments it holds are with group businesses that operate in the sector. The directors considered that the Covid 19 pandemic, and the conflict in Russia/Ukraine have had minimum impact on the company given it has no employees or trading operations.

The directors have received confirmation that Sensient Technologies Corporation (the company's ultimate parent undertaking) will provide continuing financial support for a period of 12 months from the date of approving the financial statements of the company for the year ended 31 December 2022. After making due enquiries, incorporating forecasts, and the letter of support from Sensient Technologies Corporation along with the directors' assessment of Sensient Technologies Corporation's ability to provide such support for the period of 12 months from the approval of the 2022 financial statements, the directors have a reasonable expectation that the company has adequate resources to continue as a going concern for the foreseeable future. Accordingly, the Directors have prepared the financial statements on a going concern basis.

SENSIENT HOLDINGS UK

Company Registration No. 01322325


Annual Report and Financial Statements for the year ended 31st December 2022

**DIRECTORS REPORT (CONTINUED)**

**Reappointment of auditor**

The auditor, Ernst & Young LLP, is deemed to be reappointed in accordance with section 485 of the Companies Act 2006 by virtue of an elective resolution passed by members.

Approved by the Board of Directors and signed on behalf of the Board



L C Watson

Director

Date: November 30, 2023

**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

**STATEMENT OF DIRECTORS RESPONSIBILITIES**

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland ("FRS 102"). 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 for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies in accordance with Section 10 of FRS 102 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 102 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether applicable UK Accounting Standards, including FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is appropriate to presume that the company will not continue in business.

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 company financial statements comply with the Companies Act 2006. They 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.

Under applicable law and regulations, the directors are also responsible for preparing a directors report, which complies with that law and those regulations. The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENSIENT HOLDINGS UK**

### **Opinion**

We have audited the financial statements of Sensient Holdings UK for the year ended 31 December 2022 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 13 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions Relating to Going Concern**

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.

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 12 months from when the financial statements are authorised for issue.

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

### **Other Information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENSIENT HOLDINGS UK (CONTINUED)**

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

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

### **Responsibilities of directors**

As explained more fully in the directors responsibilities statement set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENSIENT HOLDINGS UK (CONTINUED)**

### **Auditor's 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 auditor's 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.

### **Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud**

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant to be those relating to United Kingdom General Accepted Accounting Practice, the Companies Act 2006, and United Kingdom direct and indirect tax regulations. The Company has minimal transactions, and no employees.
- We understood how the Company is complying with those frameworks by making enquiries of senior finance personnel and management and gaining an understanding of the entity level controls of the Company in respect of these areas and the controls in place to reduce opportunity for fraudulent transactions.
- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by discussing with senior finance personnel and management as to the rationale behind the specific accounting transactions. Due to the Company being a holding Company, the risk of material misstatement is deemed to be low.
- Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures included reading board meeting minutes, reviewing the financial statement disclosures, enquiries of senior finance personnel and management and agreement of transactions to supporting source documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Councils website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SENSIENT HOLDINGS UK (CONTINUED)

### Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

Ernst & Young LLP

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**Farzin Radfar (Senior Statutory Auditor)**

for and on behalf of Ernst & Young LLP, Statutory Auditor

Luton

Date: 30 November 2023

**SENSIENT HOLDINGS UK**

Company Registration No. 01322325

Annual Report and Financial Statements for the year ended 31st December 2022

**STATEMENT OF COMPREHENSIVE INCOME**

Year ended 31 December 2022

	Note	2022 £	2021 £
Administrative (Expense)/Income		(788,604)	(332,670)
<b>OPERATING (LOSS)/PROFIT</b>	2	<b>(788,604)</b>	<b>(332,670)</b>
Interest payable and similar charges	4	(308,112)	(252,603)
Interest receivable and similar income	5	221,228	53,530
<b>PROFIT / (LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>(875,488)</b>	<b>(531,743)</b>
Tax on (loss) / profit on ordinary activities	6	(637)	50,834
<b>(LOSS) / PROFIT FOR THE FINANCIAL YEAR</b>		<b>(876,125)</b>	<b>(480,909)</b>
<b>OTHER COMPREHENSIVE INCOME</b>			
Other comprehensive income for the year		-	-
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>(876,125)</b>	<b>(480,909)</b>

All results derive from continuing operations.

**SENSIENT HOLDINGS UK**

Company Registration No. 01322325

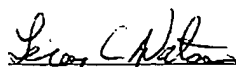
Annual Report and Financial Statements for the year ended 31st December 2022

**BALANCE SHEET**

As at 31 December 2022

	Note	2022	2021
Called up share capital	11	10,000,000	10,000,000
Capital contribution	12	10,000,000	10,000,000
Share premium account	12	4,787,374	4,787,374
Profit and loss account	12	4,694,565	5,570,690
<b>FIXED ASSETS</b>			
Investments	7	25,817,631	25,817,631
<b>CURRENT ASSETS</b>			
Debtors falling due within one year	8	11,341,756	17,984,343
Debtors falling due after one year	8	6,347,167	-
<b>CREDITORS: amounts falling due within one year</b>	9	(4,678,605)	(5,098,575)
<b>NET CURRENT ASSETS</b>		<b>13,010,318</b>	<b>12,885,768</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>38,827,949</b>	<b>38,703,399</b>
<b>CREDITORS: amounts falling due after more than one year</b>	10	(9,346,010)	(8,345,335)
<b>NET ASSETS</b>		<b>29,481,939</b>	<b>30,358,064</b>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	11	10,000,000	10,000,000
Capital contribution	12	10,000,000	10,000,000
Share premium account	12	4,787,374	4,787,374
Profit and loss account	12	4,694,565	5,570,690
<b>SHAREHOLDERS' FUNDS</b>		<b>29,481,939</b>	<b>30,358,064</b>

These financial statements were approved by the Board of Directors on 30/11/2023 and signed on its behalf by:



L C Watson  
Director

**SENSIENT HOLDINGS UK**

Company Registration No. 01322325

Annual Report and Financial Statements for the year ended 31st December 2022

**STATEMENT OF CHANGES IN EQUITY**

Year ended 31 December 2022

	Called-up Share Capital (Note 11)	Capital Contribution	Share Premium Account	Profit and Loss Account	Total
	£	£	£	£	£
<b>At 31 December 2020</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>4,787,374</b>	<b>6,051,599</b>	<b>30,838,973</b>
Capital Contribution	-	-	-	-	-
Profit for the financial year	-	-	-	(480,909)	(480,909)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(480,909)</b>	<b>(480,909)</b>
<b>At 31 December 2021</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>4,787,374</b>	<b>5,570,690</b>	<b>30,358,064</b>
Capital Contribution	-	-	-	-	-
Loss for the financial year	-	-	-	(876,125)	(876,125)
<b>Total comprehensive income</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(876,125)</b>	<b>(876,125)</b>
<b>At 31 December 2022</b>	<b>10,000,000</b>	<b>10,000,000</b>	<b>4,787,374</b>	<b>4,694,565</b>	<b>29,481,939</b>

**SENSIENT HOLDINGS UK**

Company Registration No. 01322325

Annual Report and Financial Statements for the year ended 31st December 2022

**NOTES TO THE ACCOUNTS**

**Year ended 31 December 2022**

**1. ACCOUNTING POLICIES**

The principal accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

**General information and basis of accounting**

Sensient Holdings UK is a private company limited by shares incorporated and domiciled in England. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

The functional currency of Sensient Holdings UK is considered to be pounds sterling because that is the currency of the primary economic environment in which the Company operates. The financial statements are also presented in pounds sterling.

Sensient Holdings UK meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it. Sensient Holdings UK is consolidated in the financial statements of its ultimate parent, Sensient Technologies Corporation, which are publicly available.

Exemptions from disclosure have been taken in relation to:

- the preparation of a statement of cash flows;
- financial instruments;
- share-based payments;
- intra-group transactions; and
- remuneration of key management personnel.

**Basis of preparation**

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

The financial statements are prepared under the historical cost convention.

**Going Concern**

Whilst Sensient Holdings UK is not directly exposed to the food and beverage sector the business is indirectly exposed to this market sector as the investments it holds are with group businesses that operate in the sector.

The directors considered that the Covid 19 pandemic, and the conflict in Russia/Ukraine have had minimum impact on the company given it has no employees or trading operations.

The directors have received confirmation that Sensient Technologies Corporation (the company's ultimate parent undertaking) will provide continuing financial support for a period of 12 months from the date of approving the financial statements of the company for the year ended 31 December 2022. After making due enquiries, incorporating forecasts, and the letter of support from Sensient Technologies Corporation along with the directors' assessment of Sensient Technologies Corporation's ability to provide such support for the period of 12 months from the approval of the 2022 financial statements, the directors have a reasonable expectation that the company has adequate resources to continue as a going concern for the foreseeable future. Accordingly, the Directors have prepared the financial statements on a going concern basis.

**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

**Annual Report and Financial Statements for the year ended 31st December 2022**

**NOTES TO THE ACCOUNTS (CONTINUED)**

**Year ended 31 December 2022**

**1. ACCOUNTING POLICIES (continued)**

**Group accounts**

The company is a subsidiary of Sensient Technologies Corporation, a company incorporated in the United States of America. The company has therefore taken advantage of section 400 of the Companies Act 2006 not to prepare group financial statements. The financial statements therefore present information about the company only.

**Investments**

Investments held as fixed assets are stated at cost less provision for any impairment in value.

**Deferred taxation**

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 have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax.

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**Foreign exchange**

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rate ruling at that date. These transactions are dealt with in the profit and loss account.

**Critical accounting judgements and key sources of estimation uncertainty**

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

## SENSIENT HOLDINGS UK

Company Registration No. 01322325

### Annual Report and Financial Statements for the year ended 31st December 2022

These financial statements have been prepared in accordance with the Companies Act 2006 and the Companies (Accounts) Regulations 2008.

#### NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2022

#### 2. OPERATING (LOSS)/PROFIT

Number of directors accruing benefits under a money purchase scheme\*

2022

2021

£

£

Operating (Loss)/Profit is stated after: (charging)/crediting:

Foreign exchange (loss)/gain

(788,604)

(332,670)

(788,604)

(332,670)

The auditor's remuneration for the audit of the financial statements has been borne by a fellow group company in both the current and the preceding year.

#### 3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

The company had no employees in either the current or the prior year and hence no staff costs.

The directors received no remuneration for their qualifying services to the company in the year and in the preceding financial year.

2022

2021

No.

No.

Number of directors accruing benefits under a money purchase scheme\*

2

2

\* Costs associated with these schemes are borne by other group undertakings.

A subsidiary undertaking, Sensient Colors UK Ltd, was charged a management fee of £287,209 (2021: £187,032) in respect of UK administration costs by Sensient Technologies Corporation, the company's ultimate parent company, which includes directors remuneration for 2 (2021: 2) of the company's directors which it is not possible to identify separately.

**NOTES TO THE ACCOUNTS (CONTINUED)**  
**Year ended 31 December 2022**

**4. INTEREST PAYABLE AND SIMILAR CHARGES**

	2022	2021
	£	£
Interest payable to other group undertakings	308,112	252,603

The loan due to group undertakings has a fixed interest rate of 3.446%. The fixed rate shall be reset upon maturity if extended. Interest is payable on each anniversary date of the loan agreement and upon final payment of the principle balance, or as otherwise agreed between borrower and lender.

**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2022	2021
	£	£
Interest receivable from other group undertakings	61,457	30,876
Bank interest receivable	159,771	22,654
	221,228	53,530

The loan due from group undertakings has a fixed interest rate of 2.606%. The fixed rate shall be reset upon maturity if extended. Interest is payable on each anniversary date of the loan agreement and upon final payment of the principle balance, or as otherwise agreed between borrower and lender.

**6. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES**

**a) Tax on profit / (loss) on ordinary activities**

The tax charge is made up as follows:

	2022	2021
	£	£
United Kingdom Corporation tax	-	(50,834)
Adjustment in respect of previous periods	637	-
Tax on profit / (loss) on ordinary activities	637	(50,834)

The UK Budget on 3 March 2022 included an announcement that the corporation tax rate will increase to 25% from 1 April 2023 which was substantively enacted at the balance sheet date. Deferred tax is required to be calculated using rates that have been substantively enacted at the balance sheet date, hence 25% has been used.

d) Deferred tax rate

A deferred tax asset of £2,525,893 (25% of £10,103,572) has not been recognised in Sensient Holdings UK Ltd on capital losses carried forward due to uncertainty on any future chargeable gains.

A deferred tax asset of £166,343 has not been recognised in Sensient Holdings UK Ltd on trading losses carried forward due to uncertainty on any future gains.

c) Deferred tax

Total tax for the year	
637	(50,834)
Deferred Tax not provided	
166,343	50,197
Adjustment from previous periods	
637	-
Effects of the new tax rate on the deferred tax asset and liability	
Expenses not deductible	
Tax at 19% (2022: 19%) thereon:	
(166,343)	(101,031)
(875,488)	(531,743)
£	£
2022	2021

b) The charge for the year can be reconciled to the loss per the profit and loss account as follows:

6. TAX ON PROFIT / (LOSS) ON ORDINARY ACTIVITIES (continued)

NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2022

**SENSIENT HOLDINGS UK**

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**NOTES TO THE ACCOUNTS (CONTINUED)**

Year ended 31 December 2022

**7. INVESTMENTS HELD AS FIXED ASSETS**

	Shares in subsidiaries £
<b>Costs</b>	
At 1 January 2022	48,377,440
At 31 December 2022	<u>48,377,440</u>
<b>Provisions for impairment in investments</b>	
At 1 January 2022	22,559,809
At 31 December 2022	<u>22,559,809</u>
<b>Net book value</b>	
At 31 December 2022	<u>25,817,631</u>
At 31 December 2021	<u>25,817,631</u>

**SENSIENT HOLDINGS UK**

**Company Registration No. 01322325**

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**NOTES TO THE ACCOUNTS (CONTINUED)**

**Year ended 31 December 2022**

**7. INVESTMENTS HELD AS FIXED ASSETS (continued)**

**Interests in subsidiaries**

The company owns directly (+) or indirectly 100% of the shares in the subsidiaries listed below:

All Pointing sub-group companies are included below (\*).

Company	Main activities	Incorporated in
<b>Sensient Flavors Limited</b>  Bilton Road, Bletchley, Milton Keynes, Buckinghamshire, MK1 1HP	+ Manufacture and sale of flavouring ingredients for the food industry	Great Britain
<b>Sensient Colors U.K. Limited</b>  Oldmedow Road, Hardwick Industrial Estate, Kings Lynn, Norfolk, PE30 4LA	+ Manufacture and sale of colours	Great Britain
<b>Sensient Technologies Limited</b>  Bilton Road, Bletchley, Milton Keynes, Buckinghamshire, MK1 1HP	+ Holds loan notes	Great Britain
<b>Sensient Flavors Belgium N.V.</b>  Interleuvenlaan 37 B-3001 Heverlee	+ Manufacture and sale of flavouring ingredients for the food industry	Belgium
<b>* Pointing Holdings Limited</b>  Oldmedow Road, Hardwick Industrial Estate, Kings Lynn, Norfolk, PE30 4LA	Holding company	Great Britain
<b>* Pointing International Limited</b>  Oldmedow Road, Hardwick Industrial Estate, Kings Lynn, Norfolk, PE30 4LA	Intermediate holding company	Great Britain
<b>* Pointing Colors Inc</b>  2515 N. Jefferson Ave. St. Louis, MO 63106-1939	Intermediate holding company	USA
<b>* Sensient Technologies South Africa Pty Ltd</b>  11 Mastiff Road, Linbro Business Park, Longlake, 1608	Manufacture and sale of colours	South Africa

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**NOTES TO THE ACCOUNTS (CONTINUED)**

Year ended 31 December 2022

**8. DEBTORS**

	2022	2021
<b>Amounts falling due within one year:</b>		
Loan notes owed by group companies	£	£
- Fellow group undertakings		3,898,101
Amounts owed by group companies		
- Subsidiary undertakings		2,327,180
- Fellow group undertakings	9,843,092	10,579,846
Corporation Tax receivable	1,498,664	1,179,216
	<u>11,341,756</u>	<u>17,984,343</u>
<b>Amounts falling due after one year:</b>		
Loan notes owed by group companies		
- Fellow group undertakings	4,110,377	-
Amounts owed by group companies		
- Subsidiary undertakings	2,236,790	-
	<u>6,347,167</u>	<u>-</u>
<b>Total Debtors</b>	<u>17,688,923</u>	<u>17,984,343</u>

Amounts owed by group companies includes £9,843,092 (2021: £10,579,846) on an intercompany deposit held under the cash arrangements within the group.

Loans Notes owed by group companies is comprised of an unsecured loan note of EUR 4,639,323 repayable on demand and includes interest charged at a fixed rate of 2.606%.

Loan notes and other amounts owed by fellow group undertakings and subsidiary undertakings, shown within debtors falling due after more than one year, comprise of loans and balances due from various group companies. Although the agreements state they are repayable in 2023, the directors consider these balances to be due in more than one year, and are unsecured

**SENSIENT HOLDINGS UK**

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Company Information

**NOTES TO THE ACCOUNTS (CONTINUED)**

Year ended 31 December 2022

**9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

As at 31 December 2022, £4,678,605 of secured bank loans (including £2,000,000 of overdrafts) were held by the company. The loans are repayable on demand. The interest rate on the overdrafts is 4.5% per annum (2021: 4.5%) and the interest rate on the bank loans is 3.446% per annum (2021: 3.446%).

Amounts owed to group companies

- Subsidiary undertakings

4,678,605

5,098,575

4,678,605

5,098,575

Amounts owed to group companies represents a liability due to a subsidiary company, which is interest free and repayable on demand.

**10. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

2022

2021

£

£

Loans – from group companies

- Fellow group undertakings

9,346,010

8,345,335

An unsecured loan of USD 11,292,907 is extended indefinitely in 2-yearly intervals unless notified by the lender upon 30 days' notice prior to any future extension or maturity date; interest was charged at a fixed rate of 3.446%.

Repayable as follows:

2022

2021

£

£

Between one and two years

9,346,010

8,345,335

# SENSIENT HOLDINGS UK

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Annual Report and Financial Statements for the year ended 31st December 2022

## NOTES TO THE ACCOUNTS (CONTINUED)

Year ended 31 December 2022

### 11. ALLOTTED AND ISSUED SHARE CAPITAL

	2022	2021
Called up, allotted and fully paid	10,000,000	10,000,000
10,000,000 (2021: 10,000,000) ordinary shares of £1 each	10,000,000	10,000,000

### 12. RESERVES

#### Capital Contribution

In November 2018 the company received a capital contribution from Sensient Holding I BV in the amount of £10,000,000 (US Dollars 12,976,748).

#### Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

#### Profit and loss account

This reserve comprises accumulated profits and losses less dividend paid/payable.

### 13. ULTIMATE PARENT COMPANY

The ultimate parent company and controlling entity is Sensient Technologies Corporation. The immediate parent company is Sensient Technologies Holding Company LLC. Both companies are incorporated in the United States of America. The financial statements of the ultimate parent company, which is the largest and smallest group that prepares consolidated accounts, are filed at the Securities and Exchange Commission, Washington DC.