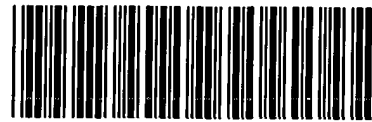


Registered number: 02834414

CYTEC UK HOLDINGS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

FRIDAY



BCIEMEHU

B15

15/12/2023

#37

COMPANIES HOUSE

CYTEC UK HOLDINGS LIMITED

CONTENTS

	Page(s)
Company Information	1
Strategic Report.....	2 - 4
Directors' Report.....	5 - 7
Statement of Directors' Responsibilities in Respect of the Annual Report and the Financial Statements	8
Independent Auditor's Report to the Members of Cytec UK Holdings Limited.....	9 - 12
Statement of Comprehensive Income	13
Balance Sheet	14
Statement of Changes in Equity	15
Notes to the Financial Statements.....	16 - 27

CYTEC UK HOLDINGS LIMITED

COMPANY INFORMATION

Directors

B Moore
J D Norris
M S Dain

Company secretary

A Iapichino

Registered number

02834414

Registered office

Abenbury Way
Wrexham Industrial Estate
Wrexham
Clwyd
LL13 9UZ

Independent auditor

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

CYTEC UK HOLDINGS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their Strategic Report of Cytec UK Holdings Limited (the "Company") for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is that of an intermediate holding company.

Business review

The Company's operations are managed under the supervision of the ultimate overseas parent company and are limited to investments in subsidiary companies and financing transactions with fellow subsidiaries.

Profit for the financial year was £9,400,000 (2021: £125,782,000).

The Company's Balance Sheet shows net assets of £331,681,000 (2021: £322,281,000).

The investment balance has been considered for impairment by the directors, with an impairment reversal of £9,400,000 recognised in the year (2021: impairment £9,400,000). An impairment review was performed and based on this assessment the carrying value of Cytec Engineered Materials Limited exceeded the value in use. Therefore the carrying amount of the investment in Cytec Engineered Materials Limited was increased from £322,229,085 to £331,629,085 so recognising an impairment reversal of £9,400,000. See note 10 for explanation by investment. The Company remains a wholly owned subsidiary within the Solvay Group of companies.

The impairment reversal was the result of the increase in the value of the subsidiary entities following the directors' assessment as at 31 December 2022.

On the 18th January 2022, Cytec Engineered Materials Ltd (CEM), the wholly owned subsidiary of Cytec UK Holdings Ltd increased its share capital by £322,229,084. This was in the form of ordinary shares of £1 each.

The board of directors approved and signed the application by the Company to apply for shares in the capital of CEM.

The board approved the entry by the Company into a deed of capitalisation (the Deed of Capitalisation) in relation to the proposed allotment of shares by Cytec Engineered Materials Limited to the Company ("the Proposed Allotment") which will allow the Company to use the Deed of Capitalisation as consideration for the Proposed Allotment by discharging and releasing, in full, of £240,542,002, the total amount owing to the Company by Cytec Engineered Materials Limited under a loan agreement dated 26 May 2021 (the Intercompany Loan Agreement) and the outstanding unsecured debt of £81,687,082 (the Unsecured Debt).

Principal risks and uncertainties

The Company's financial position is driven by the performance of the companies in which it holds investments.

The Company does not foresee any specific risks or uncertainties following the Brexit decision which would have a material effect on the financial performance of the Company or of its subsidiaries.

On 24 February 2022, the Government of Russia launched a large-scale military operation in Ukraine. As a result, the international community imposed sanctions on Russia, which in turn prompted the Russian government to impose sanctions against some countries, including those in the European Union creating turmoil in the energy markets, raw materials sourcing, financing and banking systems. Our company implemented a strict compliance policy, which also covers export control and application of all the sanctions defined against Russia.

CYTEC UK HOLDINGS LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Principal risks and uncertainties (continued)

The impact of the conflict is a surge in inflationary pressure, which is already intense and was mitigated in 2022 through additional pricing and sourcing initiatives. The Company will continue to closely monitor the situation and the evolution of the conflict. There is no direct impact on this company given the nature of its operations.

The UK companies in the Group have made plans and taken actions wherever possible to minimise these risks.

The carrying amounts of the Investments are reviewed for impairment by the directors at each reporting date or when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable.

If any such indication exists, the asset's recoverable amount is estimated by reviewing the carrying amounts of the investments against the greater of their net realisable value and value in use.

The Company is not materially exposed to price risk, credit risk or cash flow risk. Any liquidity risk is managed through the Solvay S.A. Group.

Future developments

The Company will continue to operate as an intermediate holding company for the foreseeable future.

Post balance sheet events

On 9 December 2023, the Solvay SA Group separated into two independent publicly traded companies. Solvay SA comprises leading mono-technology businesses including Soda Ash, Peroxides, Silica and Coatis, which are reported as the Company's Chemicals segment, as well as the Special Chem business. Syensqo SA comprises the Company's currently reported Materials segment, including its high-growth, high-margin Specialty Polymers, its high-performance Composites business, as well as the majority of its Solutions segment, including Novecare, Technology Solutions, Aroma Performance, and Oil & Gas. The transaction was subject to general market conditions and customary closing conditions, including final approval by Solvay's Board of Directors, consent of certain financing providers and shareholder approval at an extraordinary general meeting.

The result of this split is that Cytec UK Holdings Limited became a wholly owned subsidiary of Syensqo SA. This event is not considered to be an adjusting post balance sheet event.

There are no further subsequent events requiring adjustment to, or disclosure in the financial statements.

CYTEC UK HOLDINGS LIMITED

STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Directors' statement of compliance with duty to promote the success of the Company

Our stakeholders

The directors consider that the Company's main stakeholders are its shareholders and the Company has no direct customers. The Company has no direct employees.

The Board seeks to understand the respective interest of this stakeholder group so that these may be properly considered in the Board's decisions. We do this through various means including direct engagement by Board members, and by receiving reports and updates from members of senior management of group companies.

Having regard to the likely consequences of any decision in the long term

The Board is mindful that its strategic decisions can have long term implications for the business and its stakeholders, and these implications are carefully assessed.

The most significant recent example of this the decision, to restructure the Group's operations to increase efficiency and simplicity.

Having regard to the impact of the Company's operations on the community and the environment

The Board supports the Solvay SA Groups goals and initiatives with regard to reducing adverse impacts on the environment and supporting the communities that it touches. Compliance with all legislation intended to protect people, property and the environment is a fundamental priority of the Solvay group and the Board fully supports this. Management lead by example and allocate the required resources to achieve excellence in HSE performance.

The Group always seeks to be a good neighbour to the communities in which it operates, and engages positively with community representatives when called upon to do so.

Having regard to the desirability of the Company maintaining a reputation for high standards of business conduct

The Board recognises the importance of operating a robust corporate governance framework. Part of the Board's remit is to monitor the Company's compliance to high standards of business conduct.

Having regard to 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 and the need to ensure the long term sustainability of the Company. The directors, in doing so, act as fairly as possible between the Company's members.

This report was approved by the board and signed on its behalf by:



M S Dain
Director

Date: 12 December 2023

CYTEC UK HOLDINGS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their annual report and the audited financial statements for Cyttec UK Holdings Limited (the "Company") for the year ended 31 December 2022.

Principal activities

The principal activity of the Company is that of an intermediate holding company.

Results and dividends

The profit for the financial year amounted to £9,400,000 (2021: £125,782,000).

During the year no dividends were paid (2021: £nil). The directors do not propose any dividends (2021: £nil).

During the year no dividends were received (2021: £nil).

Directors

The directors who served during the year and up to the date of signing of the financial statements, unless otherwise stated, were:

M J Dawes	(resigned 31 May 2023)
B Moore	
J D Norris	
M S Dain	(appointed 1 July 2023)

Qualifying third party indemnity provisions

The Company has made qualifying third party indemnity provisions for the benefit of its Directors which were made during the period and remain in force at the date of this report.

Financial risk management and future developments

Details of result, subsequent events, financial risk management and future developments are discussed in the Strategic Report on pages 2-4 and form part of this report by cross reference.

CYTEC UK HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

Going concern

Solvay SA announced, on 15 March 2022, that it was reviewing plans to separate into two independent, publicly traded companies:

- "SpecialtyCo" (now known as "Syensqo SA" or "Syensqo", which would comprise the Solvay Group's Materials segment and the majority of the Solvay Group's Solutions segment: Novecare, Technology Solutions, Aroma Performance, and Oil and Gas (together the "Specialty Business"). Cytec UK Holdings Limited will be part of the SpecialtyCo.
- "EssentialCo" (which is the legacy Solvay SA entity), which would comprise the leading mono-technology business in the Solvay Group's Chemicals segment and the Special Chem business (together the "Remaining Solvay Group"). Following the Partial Demerger (as defined below), the Remaining Solvay Group would consist of EssentialCo.

On December 9, 2023, upon approval of majority of the shareholders, Solvay SA successfully carried out the partial demerger and effective December 11, 2023, the new company, now known as Syensqo started trading on Euronext Brussels.

Under the separation plan, Solvay SA's shareholders retained their current shares of Solvay SA but also received proportionate share of the Syensqo.

Following the partial demerger, the company is now part of Syensqo and the company will utilise treasury facilities provided to it by financing entities, which are subsidiaries of Syensqo. As the Company is reliant on these group funding arrangements, a letter of support from Syensqo has been obtained, confirming they will provide this support for a period of 12 months from the date of approval of the financial statements. In satisfying themselves that Syensqo has the means and ability to provide such financial support if required, the directors have held discussions with group directors, have understood the available facilities and cash reserves of the parent undertaking, have reviewed group cash flow forecasts, including sensitivities and challenged the assumptions within and are satisfied there is sufficient available headroom on available facilities including covenant requirements.

Thus, with the letter of support in place, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements for a period of 12 months from the date of approval of the financial statements.

Streamlined energy and carbon reporting ('SECR')

No disclosure relating to energy and carbon reporting has been made as the Company has not consumed more than 40,000 kWh of energy during the year.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- 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.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006.

CYTEC UK HOLDINGS LIMITED
DIRECTORS' REPORT (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Independent auditor

In February 2023, Ernst & Young LLP were appointed as auditor and pursuant to section 487 of the Companies Act 2006, the auditor will be deemed reappointed and Ernst Young LLP will therefore continue in office.

This report was approved by the board and signed on its behalf by:

A handwritten signature in black ink, appearing to read 'M S Dain', is positioned above the printed name and title of the director.

M S Dain
Director

Date: 12 December 2023

CYTEC UK HOLDINGS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2022

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 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 101 Reduced Disclosure Framework ("FRS 101"). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements the directors are required to:

- select suitable accounting policies in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors 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;
- state whether applicable UK Accounting Standards, including FRS 101, 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 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 strategic report and directors' report that comply 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.

CYTEC UK HOLDINGS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CYTEC UK HOLDINGS LIMITED

Opinion

We have audited the financial statements of Cytec UK Holdings Limited 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 16, 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 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit 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.

CYTEC UK HOLDINGS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CYTEC UK HOLDINGS LIMITED (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 9, 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.

CYTEC UK HOLDINGS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CYTEC UK HOLDINGS LIMITED (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 are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and relevant tax compliance regulations in the jurisdictions in which the Company operates.
- We understood how Cytec UK Holdings Limited is complying with those frameworks by making enquiries of management to identify if there are matters where there is a risk of breach of such frameworks that could have a material adverse impact on the Company. We read the minutes of the Board of Directors and we reviewed the legal expenses incurred to identify any litigation or claims in relation to breaches of these frameworks.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand where they considered there was susceptibility to fraud. We considered the programmes and controls that the entity has established to address identified risks, or that otherwise prevent or detect fraud; and how senior management monitors those programs and controls. Due to the nature of the company and its limited levels of activity, we identified limited areas where the risk of fraud was considered to be higher, but where this was the case, we performed audit procedures to address the identified fraud risk. These procedures principally comprised identifying the existence of manual journals and where necessary testing those journals to provide reasonable assurance that the financial statements were free from material fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved enquiries of management and, where relevant, legal counsel and performing focused testing on manual journals as noted above.

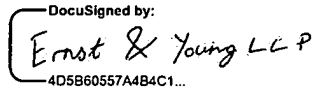
A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

CYTEC UK HOLDINGS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF CYTEC UK HOLDINGS LIMITED (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 Auditors' 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:

4D5B60557A4B4C1...

Mark Lawther (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP,
Statutory Auditors
Belfast

Date: 12 December 2023

CYTEC UK HOLDINGS LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Administrative expenses		–	(40)
Operating result/(loss)	4	–	(40)
Interest payable and similar expenses	8	–	(254)
Profit on disposal of investments		–	135,574
Impairment reversal/(loss)	10	9,400	(9,400)
Profit before taxation		9,400	125,880
Tax on profit	9	–	(98)
Profit for the financial year		9,400	125,782
Total comprehensive income for the financial year		9,400	125,782

The notes on pages 16 to 27 form part of these financial statements.

CYTEC UK HOLDINGS LIMITED
REGISTERED NUMBER: 02834414
BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £'000	2021 £'000
Fixed assets			
Investments	10	331,629	–
Current assets			
Debtors	11	52	322,281
Net current assets		52	322,281
Total assets less current liabilities		331,681	322,281
Capital and reserves			
Called up share capital	13	73,000	73,000
Share premium account	14	98,955	98,955
Profit and loss account	14	159,726	150,326
Total shareholder's funds		331,681	322,281

The financial statements on pages 13 to 27 were approved and authorised for issue by the board and were signed on its behalf by:



M S Dain
Director

Date: 12 December 2023

The notes on pages 16 to 27 form part of these financial statements.

CYTEC UK HOLDINGS LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022

	Called up share capital £'000	Share premium account £'000	Profit and loss account £'000	Total shareholder's funds £'000
At 1 January 2021	73,000	98,955	24,544	196,499
Comprehensive income for the financial year				
Profit for the financial year	–	–	125,782	125,782
Total comprehensive income for the year	–	–	125,782	125,782
At 31 December 2021 and 1 January 2022	73,000	98,955	150,326	322,281
Comprehensive income for the financial year				
Profit for the financial year	–	–	9,400	9,400
Total comprehensive income for the financial year	–	–	9,400	9,400
At 31 December 2022	73,000	98,955	159,726	331,681

The notes on pages 16 to 27 form part of these financial statements.

CYTEC UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 General information

Cytec UK Holdings Limited (the "Company") is a private company limited by shares, incorporated and registered in the United Kingdom (England and Wales) under the Companies Act 2006. Its registered address is Abenbury Way, Wrexham Industrial Estate, Wrexham, Clwyd, LL13 9UZ.

The principal activity of the Company is that of an intermediate holding company for investments in the business of composites, mining chemicals and additive technology chemicals, for use primarily in the automotive, aerospace and leisure industries, and for use in the mining industry and agriculture.

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on a going concern basis, under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies (see note 3).

The financial statements are presented in pounds sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £000.

The following principal accounting policies have been applied consistently throughout the year:

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

CYTEC UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies (continued)

2.2 Financial Reporting Standard 101 - reduced disclosure exemptions (continued)

This information is included in the consolidated financial statements of Solvay S.A. as at 31 December 2022 and these financial statements may be obtained from Rue De Ransbeek 310, 1120 Brussels Belgium.

New standards, amendments, IFRIC interpretations and new relevant disclosure requirement.

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the Company's financial statements.

2.3 Going concern

Solvay SA announced, on 15 March 2022, that it was reviewing plans to separate into two independent, publicly traded companies:

- "SpecialtyCo" (now known as "Syensqo SA" or "Syensqo", which would comprise the Solvay Group's Materials segment and the majority of the Solvay Group's Solutions segment: Novecare, Technology Solutions, Aroma Performance, and Oil and Gas (together the "Specialty Business"). Cytec UK Holdings Limited will be part of the SpecialtyCo.
- "EssentialCo" (which is the legacy Solvay SA entity), which would comprise the leading mono-technology business in the Solvay Group's Chemicals segment and the Special Chem business (together the "Remaining Solvay Group"). Following the Partial Demerger (as defined below), the Remaining Solvay Group would consist of EssentialCo.

On December 9, 2023, upon approval of majority of the shareholders, Solvay SA successfully carried out the partial demerger and effective December 11, 2023, the new company, now known as Syensqo started trading on Euronext Brussels.

Under the separation plan, Solvay SA's shareholders retained their current shares of Solvay SA but also received proportionate share of the Syensqo.

Following the partial demerger, the company is now part of Syensqo and the company will utilise treasury facilities provided to it by financing entities, which are subsidiaries of Syensqo. As the Company is reliant on these group funding arrangements, a letter of support from Syensqo has been obtained, confirming they will provide this support for a period of 12 months from the date of approval of the financial statements. In satisfying themselves that Syensqo has the means and ability to provide such financial support if required, the directors have held discussions with group directors, have understood the available facilities and cash reserves of the parent undertaking, have reviewed group cash flow forecasts, including sensitivities and challenged the assumptions within and are satisfied there is sufficient available headroom on available facilities including covenant requirements.

Thus, with the letter of support in place, the Directors continue to adopt the going concern basis of accounting in preparing the annual financial statements for a period of 12 months from the date of approval of the financial statements.

CYTEC UK HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies (continued)

2.4 Exemption from preparing consolidated financial statements

The financial statements contain information about Cytec UK Holdings Limited as an individual company and do not contain consolidated financial information as the parent of a group as a whole. The Company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Solvay SA, a company incorporated in Belgium.

2.5 Foreign currency

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the Balance Sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the Statement of Comprehensive Income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

2.6 Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other debtors, cash and cash equivalents, loans and borrowings, and trade and other creditors.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Investments

Investments are carried at cost less impairment.

Interest-bearing borrowings

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised-cost using the effective interest method.

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies (continued)

2.7 Impairment

Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through the Statement of Comprehensive Income.

Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit" or "CGU").

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the Statement of Comprehensive Income.

In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

2.8 Expenses

Interest payable and similar charges

Interest payable is recognised in the Statement of Comprehensive Income as it accrues, using the effective interest method.

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

2 Accounting policies (continued)

2.9 Revenue

Dividend income from share in subsidiary companies

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

Interest receivable and similar income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.10 Current and deferred taxation

Tax on the profit or loss for the year comprises current and deferred tax.

Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the Balance Sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the Balance Sheet date.

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

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

3 Judgements in applying accounting policies and key sources of estimation uncertainty

Key sources of estimation uncertainty

The preparation of the financial statements requires the Company to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are considered to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are:

Investment valuation

Investments in subsidiaries are carried at cost less impairment. They are assessed at each reporting date to determine whether there is objective evidence that the asset is impaired. In determining the recoverable amounts, management review the level of net assets of the companies. Impairment changes are recognised where the calculated recoverable amount is lower than the investment carrying value. The investment carrying value after impairments at 31 December 2022 was £331,629,084 (2021: £nil).

Critical accounting judgements in applying the Company's accounting policies

The directors do not consider that there are any critical accounting judgements in applying the Company's accounting policies.

4 Operating result/(loss)

The operating result/(loss) is stated after charging/(crediting):

	2022	2021
	£'000	£'000
Profit on disposal of investments	–	(135,574)
(Reversal of)/charge for impairment of investments (see note 10)	(9,400)	9,400

5 Auditors' remuneration

Audit fees of these financial statements in the current year were borne by Cytec Engineered Materials Limited, a subsidiary undertaking and is disclosed in that Company's financial statements. The amount is not recharged subsequently to the Company. There were no fees to be paid to the auditor for non-audit work.

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

6 Employees

The Company has no employees other than the directors, who did not receive any remuneration (2021: £nil).

7 Directors' remuneration

No directors received emoluments in 2022 (2021: Same) for their qualifying services to the Company.

Directors' emoluments have been borne by another group company. The directors of the Company are also directors or officers of a number of the companies within the Group and their services to the Company do not occupy a significant amount of their time. As such the directors do not consider that they have received any remuneration for their incidental services to the Company for the years ended 31 December 2022 or 31 December 2021.

8 Interest payable and similar expenses

	2022	2021
	£'000	£'000
Interest expense on financial liabilities measured at amortised cost	–	254

Interest payable and similar expenses includes interest payable to group undertakings £nil (2021: £254,000).

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

9 Tax on result/profit

	2022	2021
	£'000	£'000
Corporation tax		
Current tax on result/profits for the financial year	–	(52)
Adjustments in respect of prior years	–	150
Total current tax	–	98

Factors affecting tax charge for the year

The tax assessed for the year is the same as (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£'000	£'000
Result/profit before taxation	9,400	125,880
Result/profit before taxation multiplied by standard rate of corporation tax in the UK 19% (2021: 19%)	1,786	23,917
Effects of:		
Adjustments in respect of prior years	–	150
Non-taxable income	(1,786)	(23,973)
Non-deductible income/(expenses)	–	4
Total tax charge for the financial year	–	98

Factors that may affect future tax charges

Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2021 (published on 24 May 2021, with royal assent received on 10 June 2021). This confirmed an increase to the corporation tax rate to 25% with effect from 1 April 2023.

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

10 Investments

	Shares in group undertakings £'000
Cost	
At 1 January 2022	9,400
Additions	322,229
At 31 December 2022	331,629
Accumulated impairment	
At 1 January 2022	9,400
Impairment reversal	(9,400)
At 31 December 2022	-
Net book value	
At 31 December 2022	331,629
At 31 December 2021	-

In January 2022 it was decided to apply for 322,229,084 shares in the capital of Cytec Engineered Materials Limited at a value of £1 per share while entering into Deed of Capitalization which discharged and released, in full, of £322,229,084, the total amount owing to the Company by Cytec Engineered Materials Limited under Intercompany Loan Agreement and the Unsecured Debt.

The value of the investments in subsidiary entities is assessed annually and the value of the subsidiaries were considered to be in excess of the carrying value in the financial statements. The impairment previously recognised (£9,400,000) was therefore reversed in "Impairment reversal/(loss)" within the profit and loss account.

The recoverable value was based on value in use as determined by discounted cash flows. The cash flows were discounted by 6.84% (2021: 7.75%).

Subsidiary/associated undertakings

The following are direct/indirect subsidiary and associated company:

Name	Registered office	Principal activity	Class of shares	Holding
Cytec Engineered Materials Ltd	Abenbury Way, Wrexham Industrial Estate, Wrexham, Clywd, LL13 9UZ, U.K	Sale and or manufacturer of impregnated composite materials, resins or composite material consumables	Ordinary	100 %
Umeco Limited*	Composites House, Sinclair Close, Heanor, Derbyshire, DE75 7SP	Intermediate holding company	Ordinary	100 %

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

Subsidiary/associated undertakings (continued)

Name	Registered office	Principal activity	Class of shares	Holding
Cytec Industrial Materials (Derby) Limited*	Abenbury Way, Wrexham Industrial Estate, Wrexham, Clwyd, LL 13 9UZ, U.K.	Sale and or manufacturer of impregnated composite materials, resins or composite material consumables	Ordinary	100 %
Cytec Industrial Materials (Manchester) Limited*	Abenbury Way, Wrexham Industrial Estate, Wrexham, Clwyd, LL 13 9UZ, U.K.	Sale and or manufacturer of impregnated composite materials, resins or composite material consumables	Ordinary	100 %
Cytec Industries BV*	Burgemeester van Lierplein 75, 3134 ZB Vlaardingen, The Netherlands	Sale and or manufacturer of chemicals and allied products	Ordinary	100 %
Cytec Engineered Materials GmbH*	Industriestrasse 3, 76684 Ostringen, Germany	Sale and or manufacturer of impregnated composite materials, resins or composite material consumables	Ordinary	90 %
Umeco Composites Limited*	Composites House, Sinclair Close, Heanor, Derbyshire, DE75 7SP	Dormant company	Ordinary	100 %
Solvay (Thailand) Ltd*	11th & 16th Floor Wave Place, 55 Wireless Road, 10330 Bangkok, Thailand	Sale and or manufacturer of chemicals and allied products	Ordinary	100 %
Cytec Engineered Materials (Shanghai) Co Ltd*	1800 Ye Zhuang Road, Zhuang Hang Town, 201415 Fengxian, Shanghai, China	Sale and or manufacturer of impregnated composite materials, resins or composite material consumables	Ordinary	100 %
Mandla Services SPRL*	5 Avenue de Lumbashi, Lumbashi, Democratic Republic of Congo	Sale of technical services	Ordinary	99 %
Cytec India Specialty Chemicals & Materials Pvt Ltd*	G-54,M.I.D.C. Industrial Estate, Butibori Industrial Area, Nagpur, Area, Nagpur, India	Sale and or manufacturer of chemicals and allied products	Ordinary	25 %

*held indirectly

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

11 Debtors

	2022	2021
	£'000	£'000
Amounts falling due within one year		
Amounts owed by subsidiary undertaking	–	322,229
Tax recoverable	52	52
	52	322,281

13 Called up share capital

	2022	2021
	£'000	£'000
Authorised, allotted, called up and fully paid		
73,000,003 (2021: 73,000,003) Ordinary shares of £1 (2021: £1) each	73,000	73,000

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

14 Reserves

Share premium account

The balance classified as share premium relates to the aggregate net proceeds less nominal value of shares on issue of the Company's equity share capital.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

15 Post balance sheet events

On 9 December 2023, the Solvay SA Group separated into two independent publicly traded companies. Solvay SA comprises leading mono-technology businesses including Soda Ash, Peroxides, Silica and Coatis, which are reported as the Company's Chemicals segment, as well as the Special Chem business. Syensqo SA comprises the Company's currently reported Materials segment, including its high-growth, high-margin Specialty Polymers, its high-performance Composites business, as well as the majority of its Solutions segment, including Novecare, Technology Solutions, Aroma Performance, and Oil & Gas. The transaction was subject to general market conditions and customary closing conditions, including final approval by Solvay's Board of Directors, consent of certain financing providers and shareholder approval at an extraordinary general meeting.

The result of this split is that Cyttec UK Holdings Limited became a wholly owned subsidiary of Syensqo SA. This event is not considered to be an adjusting post balance sheet event.

There are no further subsequent events requiring adjustment to, or disclosure in the financial statements.

CYTEC UK HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 31 DECEMBER 2022

16 Ultimate parent company and parent company of larger group

The Company was a wholly owned subsidiary of Solvay S.A., a company registered in Belgium and listed NYSE Euronext Stock Exchange in Brussels and Paris, which represents the largest and smallest group that consolidates these financial statements and the ultimate controlling party. Copies of these financial statements can be obtained from the registered office of Solvay S.A. at 310 Rue de Ransbeek, 1120 Brussels, Belgium.

The Company's immediate parent undertaking is Cytec Luxembourg International Holding sarl, a company incorporated in Luxembourg.

Following the split into the two groups on 9 December 2023, the ultimate controlling party is Syensqo SA, a company registered in Belgium.