

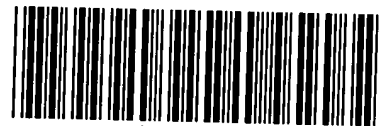
Registered number: 02855059

## **SQ FINANCE NO 2 LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**

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## **SQ FINANCE NO 2 LIMITED**

### **COMPANY INFORMATION**

**Directors**  
N Benning-Prince  
R C Dowley  
E A Gretton  
Dr C M Wendt (resigned 6 September 2021)  
A Quilez Somolinos (appointed 6 September 2021)

**Company secretary** W F Rogers

**Registered number** 02855059

**Registered office**  
Hanson House  
14 Castle Hill  
Maidenhead  
SL6 4JJ

**Independent auditors**  
PricewaterhouseCoopers LLP  
2 Glass Wharf  
Bristol  
BS2 0FR

## **SQ FINANCE NO 2 LIMITED**

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## **SQ FINANCE NO 2 LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021**

The Directors present their report and the audited financial statements for the year ended 31 December 2021.

#### **Principal activities and business review**

The Company is a group investment holding company.

During the year the Company partially impaired its investment in CGF Capital B.V. by £2,074,000 to bring the carrying value in line with the underlying net assets. This has been treated as an exceptional item.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £2,074,000 (2020 - profit £65,632,000).

Dividends in specie totalling £nil (2020 - £981,509,000) were paid during the year.

The Directors do not recommend the payment of a final dividend (2020 - £nil).

#### **Future developments**

The Directors anticipate that the Company will continue as a group investment holding company for the foreseeable future.

#### **Going concern**

The Company has limited activity outside of the HeidelbergCement AG ("HCAG") group and therefore its on-going activity is dependent on the operational activity of the HCAG group.

On the basis of their assessment of the Company's financial position and relevant enquiries, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. The Directors have noted that the ultimate parent undertaking, HCAG, has made an assessment on the impact of the Ukraine crisis. Whilst HCAG is not able to make a reliable forecast of the impact as a result of the Ukraine crisis, its financial statements for the year ended 31 December 2021 continue to be prepared on a going concern basis, whilst recognising that there will be volatility in energy markets ahead.

Thus the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

#### **Directors**

The Directors who served during the year and up to the date of signing the financial statements were:

N Benning-Prince  
R C Dowley  
E A Gretton  
Dr C M Wendt (resigned 6 September 2021)  
A Quilez Somolinos (appointed 6 September 2021)

#### **Directors' indemnity**

HeidelbergCement AG has indemnified, by means of directors' and officers' liability insurance, one or more Directors of the Company against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act. Such qualifying third party indemnity provision was in force during the year and is in force as at the date of approving the Directors' Report.

The articles of association also provide for the Directors to be indemnified by the Company subject to the provisions of the Companies Act.

**SQ FINANCE NO 2 LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**Disclosure of information to auditors**

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
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

**Independent auditors**

PricewaterhouseCoopers LLP having indicated their willingness to act will continue in office, as auditors of the Company, in accordance with section 487 of the Companies Act 2006.

**Strategic Report exemption**

The Company has taken advantage of section 414B of the Companies Act 2006 not to prepare a Strategic Report.

This report was approved by the board on 16 June 2022 and signed on its behalf.



**W F Rogers**  
Secretary

## **SQ FINANCE NO 2 LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2021**

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

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

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 and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising 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 inappropriate to presume that the Company will continue in business.

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

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

The Responsibilities Statement was approved by the board on 16 June 2022 and signed on its behalf.



**W F Rogers**  
Secretary

# **Report on the audit of the financial statements**

## **Opinion**

In our opinion, SQ Finance No 2 Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

## **Basis for opinion**

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

## **Independence**

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

## **Conclusions relating to going concern**

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

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

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

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

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SQ FINANCE NO 2 LIMITED**

## **Reporting on other information**

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

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

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

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

### **Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

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

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

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

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

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

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

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



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SQ FINANCE NO 2 LIMITED**

Based on our understanding of the Company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Reading board minutes for evidence of breaches of regulations and reading relevant correspondence
- Identifying and testing journal entries, in particular journal entries posted with unexpected account combinations
- Inquiries of management in respect of any known or suspected instances of non compliance with laws and regulations and fraud

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

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

**Use of this report**

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

## **Other required reporting**

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

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

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


We have no exceptions to report arising from this responsibility.

**SQ FINANCE NO 2 LIMITED**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SQ FINANCE NO 2 LIMITED**

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the Directors were not entitled to: take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

A handwritten signature in black ink that reads "Matthew Heal". The signature is written in a cursive, flowing style.

Matthew Heal (Senior statutory auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
Date: 20 June 2022

**SQ FINANCE NO 2 LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

		<b>2021</b>	<b>2020</b>
	<b>Note</b>	<b>£000</b>	<b>£000</b>
Exceptional items - Impairment and profit on disposal of fixed asset investments	6	(2,074)	(146,255)
<b>Operating loss</b>		<u>(2,074)</u>	<u>(146,255)</u>
Income from shares in group undertakings		-	211,887
<b>(Loss)/profit before tax</b>		<u>(2,074)</u>	<u>65,632</u>
Tax on (loss)/profit	7	-	-
<b>(Loss)/profit for the financial year</b>		<u><u>(2,074)</u></u>	<u><u>65,632</u></u>
 <b>Total comprehensive (expense)/income for the year</b>		 <u><u>(2,074)</u></u>	 <u><u>65,632</u></u>

All amounts relate to continuing operations.

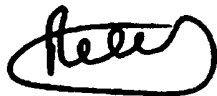
The notes on pages 11 to 16 form part of these financial statements.

**SQ FINANCE NO 2 LIMITED**  
**REGISTERED NUMBER: 02855059**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	<b>Note</b>	<b>2021 £000</b>	<b>2020 £000</b>
<b>Fixed assets</b>			
Investments	8	30,546	32,620
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	10,946	10,946
<b>Net assets</b>		<u>41,492</u>	<u>43,566</u>
<b>Capital and reserves</b>			
Called up share capital	10	2,426	2,426
Profit and loss account		39,066	41,140
<b>Total equity</b>		<u>41,492</u>	<u>43,566</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 16 June 2022.



**R C Dowley**  
Director

The notes on pages 11 to 16 form part of these financial statements.

**SQ FINANCE NO 2 LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

	<b>Called up share capital £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>At 1 January 2020</b>	2,426	957,017	959,443
<b>Comprehensive income for the year</b>			
Profit for the year	-	65,632	65,632
<b>Total comprehensive income for the year</b>	-	65,632	65,632
<b>Contributions by and distributions to owners</b>			
Dividends paid	-	(981,509)	(981,509)
<b>Total transactions with owners</b>	-	(981,509)	(981,509)
<b>At 1 January 2021</b>	2,426	41,140	43,566
<b>Comprehensive expense for the year</b>			
Loss for the year	-	(2,074)	(2,074)
<b>Total comprehensive expense for the year</b>	-	(2,074)	(2,074)
<b>At 31 December 2021</b>	2,426	39,066	41,492

The notes on pages 11 to 16 form part of these financial statements.

## **SQ FINANCE NO 2 LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021**

#### **1. General information**

SQ Finance No 2 Limited ("the Company") is a limited company incorporated and domiciled in the United Kingdom. The address of its registered office and principal place of business is disclosed in the Company Information.

#### **2. Accounting policies**

##### **2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS102), the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

The Company's financial statements are presented in Sterling, which is also the Company's functional currency, and all values are rounded to the nearest thousand pounds (£'000).

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

The Company is itself a subsidiary company and is exempt from the requirement to prepare group financial statements by virtue of section 401 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its group.

##### **2.2 Financial Reporting Standard 102 - reduced disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of HeidelbergCement AG as at 31 December 2021 and these financial statements may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.

##### **2.3 Going concern**

The Company has limited activity outside of the HeidelbergCement AG ("HCAG") group and therefore its on-going activity is dependent on the operational activity of the HCAG group.

On the basis of their assessment of the Company's financial position and relevant enquiries, the Directors have no reason to believe that a material uncertainty exists that may cast significant doubt on the ability of the Company to continue as a going concern. The Directors have noted that the ultimate parent undertaking, HCAG, has made an assessment on the impact of the Ukraine crisis. Whilst HCAG is not able to make a reliable forecast of the impact as a result of the Ukraine crisis, its financial statements for the year ended 31 December 2021 continue to be prepared on a going concern basis, whilst recognising that there will be volatility in energy markets ahead.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**2. Accounting policies (continued)**

**2.3 Going concern (continued)**

Thus the Directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future and they continue to adopt the going concern basis of accounting in preparing the financial statements.

**2.4 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**2.5 Financial instruments**

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Comprehensive Income.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

**2.6 Exceptional items**

The Company presents as exceptional items those material items of income and expense which, because of their nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess better trends in financial performance.

**2.7 Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the Balance Sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the Statement of Comprehensive Income.

**2.8 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**3. Judgments in applying accounting policies and key sources of estimation uncertainty**

**Impairment of investments**

The Company reviews investments in subsidiaries and other investments for impairment if there are any indications that the carrying values may not be recoverable. The carrying value of the investment is compared to the recoverable amount and where a deficiency exists, an impairment charge is considered by management.

The recoverable amount represents the net assets of the investment at the time of the review or where applicable is represented by an estimate of future cash flows expected to arise from the investment.

A suitable discount rate is applied to the future cash flows in order to calculate the present value. Reversals of impairments are recognised where there is a favourable change in the economic assumptions in the period since the provision was made.

**Recoverability of amounts owed by group undertakings**

The Company reviews the recoverability of amounts owed by group undertakings by reviewing the net assets of the counterparty. If the counterparty has net liabilities a provision is made by management for the amount considered irrecoverable.

**4. Auditors' remuneration**

Fees for audit services have been borne by other group undertakings. It is not practicable to ascertain what proportion of such fees relates to the Company.

**5. Staff costs**

The average monthly number of employees, including the Directors, during the year was nil (2020 - nil).

The Directors of the Company are also directors of a number of the group's fellow subsidiaries. The Directors received total remuneration of £1,063,000 (2020 - £918,000), which was paid by various fellow subsidiaries. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as directors of fellow subsidiary companies.

**6. Exceptional items**

	<b>2021</b>	<b>2020</b>
	<b>£000</b>	<b>£000</b>
Impairment of fixed asset investments	(2,074)	(146,722)
Profit on disposal of investment	-	467
	<u>(2,074)</u>	<u>(146,255)</u>

During the current and prior year, the Company partially impaired the investment in CGF Capital B.V. to bring the carrying value of the investment in line with the underlying net assets.

In the prior year the Company also sold its investment in Hanson America Holdings (2) Limited to Houserate Limited, a fellow subsidiary undertaking, for £10,946,000 resulting in a profit on disposal of £467,000.



**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

**7. Taxation**

	<b>2021 £000</b>	<b>2020 £000</b>
<b>Current tax</b>		
Current tax on (loss)/profit for the year	-	-
<b>Total current tax</b>	<u>-</u>	<u>-</u>

**Factors affecting tax charge for the year**

The tax assessed for the year is higher than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	<b>2021 £000</b>	<b>2020 £000</b>
(Loss)/profit on ordinary activities before tax	(2,074)	65,632
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(394)	12,470
<b>Effects of:</b>		
Non-tax deductible amortisation of goodwill and impairment	394	27,789
Non-taxable income	-	(40,259)
Group relief	(10)	(558)
Transfer pricing adjustments	10	558
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

**Factors that may affect future tax charges**

The main reate of corporation tax increases from 19% to 25% on 1 April 2023.

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021

8. Fixed asset investments

	Investments in subsidiary company £000
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	179,342
<b>Impairment</b>	
At 1 January 2021	146,722
Charge for the period	2,074
At 31 December 2021	148,796
<b>Net book value</b>	
At 31 December 2021	30,546
At 31 December 2020	32,620

During the year, the Company partially impaired the investment in CGF Capital B.V. to bring the carrying value of the investment in line with the underlying net assets.

**Direct subsidiary undertaking**

The investment in which the Company directly held any class of share capital is as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
CGF Capital B.V.	The Netherlands	Ordinary	100%	Investment holding company

**Indirect subsidiary undertakings and other investments**

The investments in which the Company indirectly held any class of share capital are as follows:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Berec Holdings B.V.	The Netherlands	Ordinary	100%	Investment holding company
UDS Corporation Limited	England and Wales	Ordinary	41%	Investment holding company

The registered office of UDS Corporation Limited is Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ.

The registered office of CGF Capital B.V. and Berec Holdings B.V. is Pettelaarpark 30, 5216 PD, 's-Hertogenbosch, The Netherlands.

## SQ FINANCE NO 2 LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

#### 9. Debtors

	2021 £000	2020 £000
<b>Due within one year</b>		
Amounts owed by group undertakings	10,946	10,946

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

#### 10. Share capital

	2021 £000	2020 £000
<b>Allotted, called up and fully paid</b>		
2,426,366 (2020 - 2,426,366) ordinary shares of £1 each	2,426	2,426

#### 11. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A of FRS 102 not to disclose transactions with wholly owned subsidiaries in the group headed by HeidelbergCement AG. Balances outstanding at 31 December with related parties, are as follows:

	2021 £000	2020 £000
Amounts owed by indirect parent undertaking	10,946	10,946

#### 12. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Hanson International Holdings Limited, a company registered in England and Wales. The Company's ultimate parent undertaking is HeidelbergCement AG, a company registered in Germany. The largest and smallest group in which the results of the Company are consolidated is that headed by HeidelbergCement AG. Copies of the consolidated financial statements of HeidelbergCement AG may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.