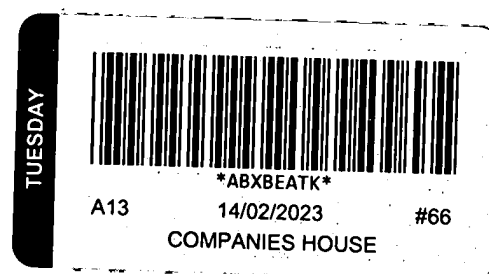


Registration number: 3138881

Inula Holding UK Limited

Annual Report and Financial Statements

for the Year Ended 31 December 2021



Inula Holding UK Limited (*Registered number: 3138881*)

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Inula Holding UK Limited (*Registered number: 3138881*)

Company Information

Directors	A Martinez
	R Cellier
Company secretary	S Carlin
Registered office	165 Bath Road Slough Berkshire SL1 4AA
Auditor	KPMG LLP Chartered Accountants 15 Canada Square London E14 5GL

Inula Holding UK Limited (Registered number: 3138881)

Strategic Report for the Year Ended 31 December 2021

The directors present their strategic report for the year ended 31 December 2021.

Principal activity

The principal activity of the company is to act as the holding company for a group of UK companies specialising in vehicle leasing and fleet management. The group's core business involves managing the entire vehicle life-cycle for its clients, taking care of everything from purchasing, insurance and maintenance to car-remarketing. The group operates in several segments including Corporate, Retail, Public Sector, Consumer and Commercial Vehicle markets. These segments enjoy strong positions in their own specific markets, each offering a comprehensive range of vehicle funding and management services to meet the needs of all fleets, ranging from consumers and smaller businesses to multi-nationals and public sector organisations.

Fair review of the business

Inula Holding Ltd continued with the ownership of its six pre-existing subsidiaries, four of which continued to be dormant in the year, as disclosed within Note 5.

The principal activity of its largest actively trading subsidiary, LeasePlan UK Limited, is vehicle leasing and fleet management. The subsidiary continues to deliver strong financial performance within its core business, in a UK market which has observed challenges and disruptions due to the impacts of the COVID-19 Pandemic, and the global semiconductor shortage. LeasePlan UK Limited delivered a profit for the financial year of £29.4m (2020: £80.7m). Operating income decreased by £38.5m (21.2%) and operating expenses increased by £21.1m (28.2%) resulting in an decrease in profit after tax of £51.3m (63.5%).

LeasePlan UK Limited's strong performance allowed it to distribute an £84 million (2020: £20m) dividend to Inula Holding Limited on 21 December 2021 and a repayment of the outstanding debt of £16m.

The Board of Directors of Inula Holding Limited recommended and approved an interim dividend of £100 million (2020: £20m). The dividend was paid to LeasePlan Corporation N.V., its direct parent entity, on 21 December 2021.

Principal risks and uncertainties

The Company acts as a holding company for its subsidiaries, of which LeasePlan UK Limited is its main trading subsidiary, and is part of the LeasePlan Corporation N.V. group. Strategies, principal risks and uncertainties are consistent with those assessed across the group. Those relevant to the Company can be found in the December 2021 financial statements of LeasePlan UK Limited, a copy of which can be obtained from the Company Secretary at the registered office of 165 Bath Road, Slough, SL1 4AA and the December 2021 LeasePlan Corporation N.V. group financial statements at the address listed on page 21.

Company employees

The company has no employees (2020; none).

Risk Management

Responsibility for risk management of the Company lies with the directors of the Company. Risk management policies are consistent with LeasePlan UK Limited whose financial statements can be obtained from the Company Secretary at the registered office of 165 Bath Road, Slough, SL1 4AA.

Donations

During the year ended 31 December 2021, no donations were made by the Company to any political party or charitable organisation (2020: £nil).

Inula Holding UK Limited (Registered number: 3138881)

Strategic Report for the Year Ended 31 December 2021 (continued)

Future developments

Outlook

Inula Holding UK Limited entered 2022 with confidence in the strength and resilience of its subsidiaries, especially pertaining to LeasePlan UK Limited, the main trading entity of the group.

The Company expects to retain its investments in all subsidiaries held as at 31 December 2021 for the forthcoming future and continue to grow its LeasePlan UK Limited subsidiary, focusing on the expansion of its "any car, any time, anywhere" service.

ALD Acquisition

Following the announcement of the proposed acquisition by ALD of LeasePlan, LeasePlan's shareholders and LeasePlan signed a framework agreement with ALD and Societe Generale on 22 April 2022. This framework agreement is a binding agreement, which confirms the terms of the transaction as first disclosed in January 2022.

Semiconductor shortage

The global automotive economy suffered from a semiconductor shortage, which originated in 2020 and worsened in early 2021. The semiconductor shortage continued throughout 2021 and into 2022 as global demand increased. Due to the reliance of modern vehicles on these semi-conductors, the shortage led to disruption in the supply chain of new vehicles, with the ripples affecting the entire automotive industry. The semi-conductor shortage developed as a result of supply-chain disruption from unrelated events.

In June 2021, the delay between order and delivery of vehicles at LeasePlan UK increased by 26.5 days. As of 31 December 2021, expected lead times had further increased by 62% compared to December 2020. The increase in lead times has impaired fleet growth, due to the extended time required to fulfil large new customer orders obtained by the Company. The increase in lead times impaired the fleet growth due to the extended time required to fulfil large new customer orders obtained. The impact of longer lead times on the business model have been limited by its knock-on effect on both extensions of existing vehicles and performance on the second-hand vehicle markets in 2021. Indeed, existing customers tend to extend their current lease while waiting for the delivery of their new vehicle.

As a result, LeasePlan UK limited continues to derive revenue from those customers despite the delays in the supply chain. Simultaneously, the second-hand vehicle market experienced its highest prices in 12 years during Q2 2021 as a result of supply constraints for new vehicles. The performance of LeasePlan UK Limited used vehicles upon resale has thus limited the impact from the strain on fleet growth.

Ukraine-Russia War

The Ukraine-Russia war is a key contributing factor to the significant increase in energy prices and the wider cost of living crisis affecting the UK and wider Europe. The risk posed by the war is currently centred on customers' ability to settle their invoices on the rent as they come due. However, we have established a clear monitoring system to ensure that the Company is kept abreast of recent developments in the war.

These are regularly raised to and discussed by the Board to ensure that timely and appropriate action is taken. Such actions include compliance with both UK and EU government sanctions.

Inula Holding UK Limited (Registered number: 3138881)

Strategic Report for the Year Ended 31 December 2021 (continued)

Coronavirus Health Crisis

The Coronavirus Health Crisis reached and developed in Europe throughout 2020, leading the government of the United Kingdom to instigate lockdown measures to protect its population from March 2020. The coronavirus outbreak was declared a pandemic in 2020, however, since then, several vaccinations have been discovered and many restrictions have eased.

During 2021 LeasePlan UK experienced growth, mainly due to re-opening of the markets following vaccination programs, a positive used-car market and lower than expected customer defaults due to our high-quality customer base. New additions in December 2021 were up 4% (2021: down 29.4%) from December 2020 with orders returning to pre-pandemic levels in 2021, though the semi-conductor shortage and its impact on procurement affected the additions figure for the Company. Fleets are naturally relatively robust to shocks, thanks to the multi-year operational cycle. Additionally, the financial impact of this fleet size contraction is offset by the strong performance of the used car market. The price effect on vehicles and LCVs (light commercial vehicle), as a result of combined high demand for home deliveries and low levels of new stock from OEMs (original equipment manufacturer), continued to drive the price of second hand vehicles. New additions returned to pre-pandemic levels in June 2021, showing a 0.5% increase on 2019 comparative levels, further demonstrating the resilience of LeasePlan UK Limited. Internal Fleet Purchasing Limited has no employees, and its contracts and trade are limited to those with LeasePlan UK Limited.

In its capacity as a holding company, Inula Holding UK Limited is reliant on the performance of its subsidiaries, and as such the impacts of the Coronavirus Health Crisis upon the company are limited to its impacts upon those subsidiaries. Through the evolution of the Coronavirus Health Crisis LeasePlan UK Limited, the main trading entity of the group, placed focus on the safety of its employees and continued quality customer service, as well as cost reduction measures to withstand the long-term impacts of the pandemic. Owing to the combined impact of Coronavirus on Inula Holding Ltd, its subsidiaries, and the wider economy, LeasePlan UK Limited, as part of the wider LeasePlan group, has reviewed all aspects of its business and conducted a scenario planning exercise to assess the potential impact on its future financial position. The assessment has considered various potential, worst case scenarios, existing cash and risk positions as well as access to financing as relevant to LeasePlan UK Limited, and Inula Holding Ltd.

Going Concern

These financial statements have been prepared on a going-concern basis. This basis of preparation was agreed upon following a detailed assessment of the Company's ability to continue as a going-concern for a period of at least 12 months from the date of approval of the financial statements ("the going-concern period").

In its capacity as a holding company, Inula Holding UK Limited is reliant on the performance of its subsidiaries in order to remain in operational existence. As at 31 December 2021, only two of its six subsidiaries were actively trading. The remaining four subsidiaries listed in Note 5 were dormant and thus had no operational activity. Internal Fleet Purchasing Ltd represents an insignificant proportion of the underlying subsidiary results, and as a result Inula Holding UK Limited's going concern is primarily reliant on the going concern of LeasePlan UK Limited. A detailed going concern analysis was thus performed by Inula Holding UK Limited, in conjunction with the management of LeasePlan UK Limited.

In 2021, LeasePlan UK Limited continued to be affected by the Coronavirus pandemic, the global semi-conductor shortage and the Brexit and associated trading agreements that had originated in 2020. Additionally, the war and rise in energy prices continue to provide strain on the fleet. The established risk function and dedicated teams continue to closely monitor developments on all the related events, as well as potential new effects, to ensure that LeasePlan UK Limited is able to respond to changes in its business environment.

Inula Holding UK Limited (Registered number: 3138881)

Strategic Report for the Year Ended 31 December 2021 (continued)

Thanks to a multi-year cycle, LeasePlan UK Limited has a built-in resilience to short- and- medium-term external shocks. This resilience is reinforced by the Company's access to funding, particularly from the ultimate parent undertaking, LeasePlan Corporation N.V., which has confirmed its intention not to withdraw any funding facility in the foreseeable future. Further sources of funding include the sale of securitised assets through the Bumper programme, uncommitted bank loans and a short-term overdraft facility.

In assessing the Company's ability to continue trading, management have prepared cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements. These scenarios demonstrate that, even when taking into account considering severe but plausible downside scenarios and applying a range of sensitivities for analysis, LeasePlan UK Limited will have sufficient funds to meet its liabilities as they fall due. The forecasts were prepared under a base case, upon which several scenarios were applied.

- The base case scenario assumes a continuation of the historic trend in residual value of vehicles and of operations, with a marginal 4% fleet decline. Under these assumptions, the net cash position would remain materially unchanged, with £1.9 billion vehicle additions made in the forecast period and offset by the lease receivable income streams.
- The severe, but plausible, downside scenarios included a heightened default rate £3.9m over the course of the forecast period and a reduction of sales proceeds on cars due to the impacts of the pandemic. Despite these assumptions, LeasePlan UK Limited would be able to maintain its cash flow position by generating cash from its existing lease arrangements, making use of available funding facilities and, if required, a small reduction in new fleet additions.

As per the nature of its business model, LeasePlan UK Limited incurs a significant cash outflow upon the purchase and addition of a new vehicle to the fleet, which is subsequently recovered over the period of the lease. Reducing the new fleet additions would thus create a significant reduction in the short-term cash requirements and outflows of the business. In the event of an extreme downturn beyond the forecast scenarios, LeasePlan UK Limited could thus reduce, or even temporarily halt, the cash outflow on new vehicles and focus on cash collection activities from its pre-existing multi-year fleet. Given the availability of funding and the Company's ability to flex operational performance to offset downside risks, the directors do not believe that a material uncertainty exists regarding the ability of the Company to continue as a going-concern or its ability to continue. The Company therefore continues to adopt the going-concern basis in preparing its financial statements.

Approved by the Board on 13 February 2023 and signed on its behalf by:


.....
R Cellier
Director

Inula Holding UK Limited (Registered number: 3138881)

Directors' Report for the Year Ended 31 December 2021

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

Directors' of the company

The directors, who held office during the year, were as follows:

A Martinez

R Cellier

Dividends

An interim dividend of £1.81 per share (2020: £0.36), totalling £100,000,000, was recommended and approved by the Board of Directors in 2021. This dividend was paid to LeasePlan Corporation N.V., the entity's parent entity, on 20 December 2021 as disclosed in Note 9.

No further dividends were recommended or paid in the year.

Directors' liabilities

Qualifying third party indemnity provisions for the benefit of the directors were in force during the period under review and remain in force as at the date of approval of the directors' report and financial statements.

Disclosure of information to the auditor

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

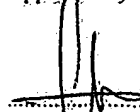
Reappointment of auditors

The auditors KPMG LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Other information

An indication of likely future developments in the business and particulars of significant events which have occurred since the end of the financial year have been included in the Strategic Report on page 3.

Approved by the Board on 13 February 2023 and signed on its behalf by:



R Cellier
Director

Inula Holding UK Limited (Registered number: 3138881)

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic Report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the UK governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INULA HOLDING UK LIMITED

Opinion

We have audited the financial statements of Inula Holding UK Limited ("the Company") for the year ended 31 December 2021 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related notes.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

To identify risks of material misstatement due to fraud ("fraud risks"), we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected, or alleged fraud;
- Reading Board and other committee minutes in order to evaluate risk of fraud and plan audit procedures to respond to actual or suspected fraud risks; and

- Using analytical procedures to identify any unusual or unexpected relationships including any transactions not consistent with our understanding of the Company and the industry it operates.

We communicated identified fraud risks to the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards and taking into account our overall knowledge of the control environment, we performed procedures to address the risk of management override of controls. We do not believe there is a fraud risk related to revenue recognition on this audit as there is lack of opportunity for management to manipulate revenue recognition as the Company is a holding company with no operations and no revenue.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of the Company wide fraud risk management controls.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors and other management as required by auditing standards, and from inspection of the Company's regulatory and legal correspondence and discussed with the directors and other management the policies and procedures regarding compliance with laws and regulations.

As the Company is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Company's license to operate. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Other information

The directors are responsible for the other information, which comprises the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the other information;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their 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; 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; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

A handwritten signature in black ink, appearing to read 'Matthew Rowell', written in a cursive style.

Matthew Rowell (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
One Snowhill
Snow Hill Queensway
Birmingham
B4 6GH

13 February 2023

Inula Holding UK Limited (Registered number: 3138881)

Statement of Comprehensive Income for the Year Ended 31 December 2021

	Note	2021 £ 000	2020 £ 000
Income from shares in group undertakings	4	84,000	20,000
Operating profit		<u>84,000</u>	<u>20,000</u>
Profit before tax		84,000	20,000
Tax on profit on ordinary activities	9	-	-
Profit for the year		<u>84,000</u>	<u>20,000</u>
		2021 £ 000	2020 £ 000
Total comprehensive income for the year		<u>84,000</u>	<u>20,000</u>

The above results were derived from continuing operations.

The above results were derived from continuing operations, and the Company had no other income or expenses for the year ended 31 December and 31 December 2020. Therefore no separate Statement of Other Comprehensive Income has been prepared.

Inula Holding UK Limited (Registered number: 3138881)

**(Registration number: 3138881)
Balance Sheet as at 31 December 2021**

	Note	31 December 2021 £ 000	31 December 2020 £ 000
Non-Current assets			
Investments	5	95,085	95,085
Current assets			
Trade and other receivables	6	<u>1,241</u>	<u>17,241</u>
Net assets		<u>96,326</u>	<u>112,326</u>
Capital and reserves			
Called up share capital	7	55,000	55,000
Share premium reserve		30,994	30,994
Other reserves		8,708	8,708
Retained earnings		<u>1,624</u>	<u>17,624</u>
Shareholders' funds		<u>96,326</u>	<u>112,326</u>

Approved by the Board on 13 February 2023 and signed on its behalf by:


R Cellier
Director

Inula Holding UK Limited (Registered number: 3138881)

Statement of Changes in Equity for the Year Ended 31 December 2021

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2021	55,000	30,994	8,708	17,624	112,326
Total comprehensive income	-	-	-	84,000	84,000
Dividends	-	-	-	(100,000)	(100,000)
At 31 December 2021	<u>55,000</u>	<u>30,994</u>	<u>8,708</u>	<u>1,624</u>	<u>96,326</u>
	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Retained earnings £ 000	Total £ 000
At 1 January 2020	55,000	30,994	8,708	17,624	112,326
Total comprehensive income	-	-	-	20,000	20,000
Dividends	-	-	-	(20,000)	(20,000)
At 31 December 2020	<u>55,000</u>	<u>30,994</u>	<u>8,708</u>	<u>17,624</u>	<u>112,326</u>

Inula Holding UK Limited (Registered number: 3138881)

Notes to the Financial Statements for the Year Ended 31 December 2021

1 General information

The company is a private company limited by share capital, incorporated and domiciled in England and Wales.

The address of its registered office is:

165 Bath Road

Slough

Berkshire

SL1 4AA

These financial statements were authorised for issue by the Board on 13 February 2023.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

The financial statements have been prepared using historical cost convention.

The financial statements are presented in 'pounds sterling', which is the Company's functional and presentational currency. Financial information presented in sterling has been rounded to the nearest thousand, unless otherwise indicated.

Summary of disclosure exemptions

These financial statements have been prepared under UK GAAP, applying FRS 101 "Reduced Disclosure Framework" as Inula Holding Limited is a qualifying entity. As a result, the Company applies the recognition, measurement and disclosure requirements per UK-adopted international accounting standards ("Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006. The accounting policies set out within this note have, unless otherwise stated, been applied consistently to all periods presented in these financial statements. The available FRS101 disclosure exemptions used in preparing these financial statements are listed below:

- **IAS 1 "Presentation of Financial Statements"**: Exemption from providing comparative movement schedules for share capital, intangible assets, investment properties and property, plant and equipment (including those under operating leases and short-term asset rentals), as well as presenting comparative information for narrative disclosures and information going beyond the disclosure requirements of IFRS standards.
- **IAS 1 "Presentation of Financial Statements"**: Exemption from presenting a statement of cash flows, from making an explicit and unreserved statement of compliance with IFRS standards and from the capital management disclosure requirements of the standard.
- **IAS 7 "Cash Flow Statement"**: Complete exemption from preparing a cash flow statement and the related notes.
- **IAS 8 "Accounting policies, changes in accounting estimates and errors"**: Exemption from the disclosure of new or revised IFRSs that have not been amended, as well as the disclosure of their likely impact.
- **IAS 24 "Related Party Disclosures"**: Disclosure exemption for related party transactions entered into between two or more members of a group that are fully owned subsidiaries of a common ultimate parent.

Inula Holding UK Limited (Registered number: 3138881)

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

- **IAS 36 "Impairment of Assets":** Available exemptions from disclosures at the cash generating unit level, including as it pertains to assumptions and sensitivity analysis.

Going concern

The financial statements have been prepared on a going concern basis. In determining the appropriate basis of the preparation of the financial statements, the directors are required to consider whether the Company can continue in operational existence for a period of at least 12 months from the date of approval of the financial statements.

In its capacity as a holding company, Inula Holding UK Limited is reliant on the performance of its subsidiaries in order to remain in operational existence. As at 31 December 2021, only two of its six subsidiaries were actively trading. The remaining four subsidiaries listed in Note 5 were dormant and thus had no operational activity. Internal Fleet Purchasing Ltd represents an insignificant proportion of the underlying subsidiary results, and as a result, Inula Holding UK Limited's going concern is primarily reliant on the going concern of LeasePlan UK Limited. A detailed going concern analysis was thus performed by Inula Holding UK Limited, in conjunction with the management of LeasePlan UK Limited.

The business environment in which LeasePlan UK Limited operates was significantly impacted by the continued COVID-19 Health Crisis and semi-conductor shortage. Further, the Ukraine-Russia war and cost of living crisis affect the company's outlook for 2022. The established risk function and dedicated teams continue to closely monitor developments on all macroeconomic events, as well as potential new effects, to ensure that LeasePlan UK Limited is able to respond to changes in its business environment.

Thanks to a multi-year cycle LeasePlan UK Limited has a built in resilience to short- and medium-term external shocks. This resilience is reinforced by LeasePlan UK Limited's access to funding, particularly from the ultimate parent undertaking, LeasePlan Corporation N.V., which has confirmed its intention not to withdraw any funding facility in the foreseeable future. Further sources of funding for LeasePlan UK Limited include, the sale of securitised assets through the Bumper programme (such as Bumper (UK) 2019-1 Finance PLC and Bumper (UK) 2021), uncommitted bank loans and a short-term overdraft facility.

In assessing the LeasePlan UK Limited's ability to continue trading, management have prepared cashflow forecasts for a period of at least 12 months from the date of approval of these financial statements. These scenarios demonstrate that, even when taking into account severe but plausible downside scenarios and applying a range of sensitivities for analysis, LeasePlan UK Limited will have sufficient funds to meet its liabilities as they fall due. The forecasts were prepared under a base case, upon which several scenarios were applied.

- The base case scenario assumes a continuation of the historic trend in residual value of vehicles and of operations, with a marginal 4% fleet decline. Under these assumptions, the net cash position would remain materially unchanged, with £1.9 billion vehicle additions made in the forecast period and offset by the lease receivable income streams.

- The severe, but plausible, downside scenarios included a heightened default rate £3.9m over the course of the forecast period and a reduction of sales proceeds on cars due to the impacts of the pandemic. Despite these assumptions, LeasePlan UK Limited would be able to maintain its cash flow position by generating cash from its existing lease arrangements, making use of available funding facilities and, if required, a small reduction in new fleet additions.

As per the nature of its business model, LeasePlan UK Limited incurs a significant cash outflow upon the purchase and addition of a new vehicle to the fleet, which is subsequently recovered over the period of the lease. Reducing the new fleet additions would thus create a significant reduction in the short-term cash requirements and outflows of the business. In the event of an extreme downturn beyond the forecast scenarios, LeasePlan UK Limited could thus reduce, or even temporarily halt, the cash outflow on new vehicles and focus on cash collection activities from its pre-existing multi-year fleet.

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Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Based on the assessment performed, the Company continues to adopt the going concern basis. The directors do not believe that a material uncertainty exists regarding the ability of the Company to continue as a going concern and therefore meet its liabilities as they fall due for a period of 12 months from the approval of these financial statements.

Exemption from preparing group accounts

The financial statements contain information about Inula Holding UK Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The company is exempt under section 400 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, LeasePlan Corporation N.V. a company incorporated in Netherlands.

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 January 2022 have had a material effect on the financial statements.

Investments

Investments in subsidiaries are carried at cost, less any impairment.

Trade and other receivables

Trade and other receivables include amounts owed from related parties. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

These receivable balances are shown after any accumulated impairment losses and are initially measured at fair value and subsequently at amortised cost using the effective interest rate method. Relating to Expected Credit Losses (ECL), trade receivables, the company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Share Premium Reserve

The share premium reserve contains the premium arising on the issuance of equity shares, net of issue expenses.

Other Reserves

Other reserves are non-distributable balances that arose through merger accounting and other equity-related transactions.

Retained Earnings

Retained earnings represent cumulative profits or losses, net of dividends paid and other adjustments.

Inula Holding UK Limited (Registered number: 3138881)

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

Dividends

Interim dividends are recognised as a distribution from retained earnings in the period in which they are paid.

Final dividends are recognised as a distribution from retained earnings in the period in which they are approved by the shareholders.

Dividends are recognised when declared by the subsidiary and are disclosed as 'income from shares in group undertakings' in the Statement of Comprehensive Income.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Any 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 of the revision or, in any future periods affected, if the revision affects both current and future periods.

The only significant estimate/judgement in respect of these financial statements is in relation to the assessment of whether the carrying value of investments is impaired. This requires an estimation of the value in use of the subsidiaries' cash generating units. The key assumptions calculating the value in use are those regarding discount rates, growth rates and other expected changes in cash flows. The discount rate is estimated using the overall cost of capital for LeasePlan Corporation N.V.

Impairment losses on investment in subsidiaries

These assets have an indefinite useful life and therefore they are not subject to amortisation, but they are tested annually for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

In the annual assessment of whether there is any indication that an asset may be impaired, the company considers both external as well as internal sources of information. If such indication for impairment exists, an impairment loss is recognised in the Statement of Comprehensive Income to the extent that the carrying value of the asset exceeds the recoverable amount, being the higher of the fair value less costs to sell and the value in use. In case of investment in subsidiaries, value in use will be the same as fair value less cost to sell as there is no active market. Therefore, the company will base the conclusion on impairment on the value in use, which is determined as the net assets of the subsidiary plus present value of the future cash flows expected to be derived from the subsidiary.

Reversal of impairment

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 of the asset's carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

4 Income from shares in group undertakings

The analysis of the company's turnover for the year from continuing operations is as follows:

	2021	2020
	£ 000	£ 000
Income from shares in group undertakings	<u>84,000</u>	<u>20,000</u>

The £84m shown in the table directly above indicates the interim dividend paid to Inula Holding UK Limited from LeasePlan UK in 2021.

A final dividend of £100m was subsequently paid to LeasePlan Corporation N.V.

5 Investments

Subsidiaries	£ 000
Cost or valuation	
At 1 January 2020	<u>95,085</u>
At 31 December 2020	<u>95,085</u>
At 1 January 2021	<u>95,085</u>
At 31 December 2021	<u>95,085</u>
Carrying amount	
At 31 December 2020	<u>95,085</u>
At 31 December 2021	<u>95,085</u>

The directors believe that the carrying value of the investments is supported by their underlying net assets.

Details of the subsidiaries as at 31 December 2021 are as follows:

Name of subsidiary	Principal activity	Registered office	Holding	Voting rights 2021	Voting rights 2020
LeasePlan Limited UK	Leasing	UK	Ordinary Shares	100%	100%
Dial Limited Contracts	Dormant	UK	Ordinary Shares	100%	100%
Automotive Leasing Limited	Dormant	UK	Ordinary Shares	100%	100%
Dial Vehicle Management Services Limited	Dormant	UK	Ordinary Shares	100%	100%
Network Vehicles Limited	Dormant	UK	Ordinary Shares	100%	100%
Internal Fleet Purchasing Limited	Leasing	UK	Ordinary Shares	100%	100%

Inula Holding's control may be achieved through control on intermediary parent entities in the group, rather than directly with the entity itself.

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Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

6 Trade and other receivables

	31 December 2021 £ 000	31 December 2020 £ 000
Receivables from related parties.	<u>1,241</u>	<u>17,241</u>

The outstanding receivable balance is wholly due from LeasePlan UK Limited. It is interest free, unsecured and repayable on demand. There are no indications as of reporting date that the debtor will not meet its payment obligations, and there is thus no impairment recognised against the balance.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivables mentioned above. We do not hold any collateral for trade receivables.

7 Share capital

Allotted, called up and fully paid shares

	31 December 2021		31 December 2020	
	No. 000	£ 000	No. 000	£ 000
Ordinary shares of £1 each	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>	<u>55,000</u>

Rights, preferences and restrictions

Ordinary shares have the following rights, preferences and restrictions:

The holders of the 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.

8 Dividends

Dividends paid in the year are detailed below:

	31 December 2021 £ 000	31 December 2020 £ 000
Interim dividend of £1.81 (2020: £0.36) per ordinary share	<u>100,000</u>	<u>20,000</u>
	<u>100,000</u>	<u>20,000</u>

A final dividend of £1.81 (2020: £0.36) per share, totalling £100,000,000 (2020: £20,000,000), was recommended and approved by the Board of Directors in 2021. This dividend was paid to LeasePlan Corporation N.V., the entity's parent entity, on 20 December 2021.

No further dividends were recommended or paid in the year.

9 Income tax

The dividend receipt received from LeasePlan UK bears no tax liability.

Inula Holding UK Limited (Registered number: 3138881)

Notes to the Financial Statements for the Year Ended 31 December 2021 (continued)

10 Related party transactions

As the Company did not transact during the year and there have not been any transactions with related parties. Details of intercompany balances with related parties are given in note 6. In addition, intercompany dividends are disclosed in notes 4 and 9.

The audit fee of £2,000 (2020: £2,000) is borne by LeasePlan UK Limited.

11 Parent and ultimate parent undertaking

The company's immediate parent is LeasePlan Corporation N.V. (a company incorporated in the Netherlands).

As at 31 December 2021, 100% of LeasePlan Corporation N.V.'s issued and outstanding share capital is owned by a consortium of investors, namely, TDR Capital (United Kingdom), sovereign wealth funds ADIA (United Arab Emirates) and GIC (Singapore), pension funds PGGM (The Netherlands) and ATP (Denmark) and Broad Street Investments (United States). None of these investors has a controlling interest in the Company.

The most senior parent entity producing publicly available consolidated financial statements is LeasePlan Corporation N.V. These financial statements are available upon request from Gustav Mahlerlaan 360, 1082 ME Amsterdam, Netherlands.

12 Post Balance Sheet Events

ALD Disclosure

Following the announcement of the proposed acquisition by ALD of LeasePlan, LeasePlan's shareholders and LeasePlan signed a framework agreement with ALD and Societe Generale on 22 April 2022. This framework agreement is a binding agreement, which confirms the terms of the transaction as first disclosed in January 2022.

Ukraine-Russia War

The Ukraine-Russia war is a key contributing factor to the significant increase in energy prices and the wider cost of living crisis affecting the UK and wider Europe. The risk posed by the war is currently centred on customers' ability to settle their invoices on the rent as they come due. However, we have established a clear monitoring system to ensure that the Company is kept abreast of recent developments in the war.

These are regularly raised to and discussed by the Board to ensure that timely and appropriate action is taken. Such actions include compliance with both UK and EU government sanctions.