

Registered number: 03247526

EFFECTENGAGE LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021



EFFECTENGAGE 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 | 03247526 |
| Registered office | Hanson House 14 Castle Hill Maidenhead SL6 4JJ |

EFFECTENGAGE LIMITED

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EFFECTENGAGE LIMITED

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.

Principal activities and business review

The Company is a group investment holding company and has not traded during the current year.

Results and dividends

The result for the year, after taxation, amounted to £nil (2020 profit - £995,000).

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

Going concern

The Company has limited activity outside of the HeidelbergCement AG ("HCAG") group. The recoverability of its assets is dependent on the financial position of the HCAG group. The Directors believe the carrying value of assets are expected to be fully realised. The Directors have noted that the ultimate parent has made an assessment on the impact of the Ukraine crisis. Whilst the ultimate parent is not able to make a reliable forecast on the overall impact on its business as a result of the 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.

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.

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 annual 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.

This report was approved by the board on 7 April 2022 and signed on its behalf.



W F Rogers
Secretary

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

| | Note | 2021 £000 | 2020 £000 |
|---|-------------|----------------------|----------------------|
| Exceptional items - Reversal of impairment of fixed asset investments | | - | 995 |
| Profit before tax | | - | 995 |
| Tax on profit | 4 | - | - |
| Profit for the financial year | | - | 995 |
| Total comprehensive income for the year | | - | 995 |

All amounts relate to continuing operations.

The notes on pages 5 to 9 form part of these financial statements.

EFFECTENGAGE LIMITED
REGISTERED NUMBER: 03247526

BALANCE SHEET
AS AT 31 DECEMBER 2021

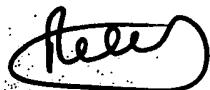
| | Note | 2021 £000 | 2020 £000 |
|--|-------------|----------------------|----------------------|
| Fixed assets | | | |
| Investments | 5 | 264,043 | 264,043 |
| Current assets | | | |
| Debtors: amounts falling due within one year | 6 | 1,089 | 1,089 |
| Net assets | | <u>265,132</u> | <u>265,132</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 113 | 113 |
| Share premium account | | 264,024 | 264,024 |
| Profit and loss account | | 995 | 995 |
| Total equity | | <u>265,132</u> | <u>265,132</u> |

For the year ended 31 December 2021 the Company was entitled to exemption from audit under section 480 of the Companies Act 2006.

Members have not required the Company to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 April 2022.



R C Dowley
Director

The notes on pages 5 to 9 form part of these financial statements.

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

| | Called up share capital £000 | Share premium account £000 | Profit and loss account £000 | Total equity £000 |
|--|---|---|---|------------------------------|
| At 1 January 2020 | 113 | 264,024 | - | 264,137 |
| Comprehensive income for the year | | | | |
| Profit for the year | - | - | 995 | 995 |
| At 1 January 2021 | 113 | 264,024 | 995 | 265,132 |
| At 31 December 2021 | 113 | 264,024 | 995 | 265,132 |

The notes on pages 5 to 9 form part of these financial statements.

EFFECTENGAGE LIMITED

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

1. General information

Effectengage 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.

The Company is part of the HeidelbergCement AG group and is included in the consolidated financial statements of HeidelbergCement AG. The Company therefore qualifies for the reduced disclosures for subsidiaries under FRS 102 including the exemption to present a cash flow statement. The Company is also exempt under Section 33.1A of FRS 102 from disclosing related party transactions with wholly owned subsidiaries of the HeidelbergCement AG group.

2.2 Going concern

The Company has limited activity outside of the HeidelbergCement AG ("HCAG") group. The recoverability of its assets is dependent on the financial position of the HCAG group. The Directors believe the carrying value of assets are expected to be fully realised. The Directors have noted that the ultimate parent has made an assessment on the impact of the Ukraine crisis. Whilst the ultimate parent is not able to make a reliable forecast on the overall impact on its business as a result of the 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.

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.

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 annual financial statements.

2.3 Investments

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

EFFECTENGAGE LIMITED

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

2. Accounting policies (continued)

2.4 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.

2.5 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.

2.6 Exceptional items

The Company presents as exceptional items those material items of income and expense which, because of the 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.

3. Exceptional items

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Reversal of impairment of fixed asset investments | - | 995 |

During the prior year the Company released the impairment against its investment in Hanson Holdings (2) Limited to reflect the change in value of the underlying net assets.

EFFECTENGAGE LIMITED

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

4. Taxation

| | 2021 £000 | 2020 £000 |
|-------------------------------------|--------------|--------------|
| Current tax | | |
| Current tax on profits for the year | - | - |
| Total current tax | - | - |

Reconciliation of tax charge for the year

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

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Profit before tax | - | 995 |
| Profit multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%) | - | 189 |
| Effects of: | | |
| Non-taxable reversal of impairment | - | (189) |
| Group relief | - | (1) |
| Transfer pricing adjustments | - | 1 |
| Total tax charge for the year | - | - |

Factors that may affect future tax charges

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

EFFECTENGAGE LIMITED

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

5. Fixed asset investments

**Investments
in
associates
£000**

Cost and Net book value

At 1 January 2021 and 31 December 2021

264,043

Direct associated undertakings

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 |
|-----------------------------|--------------------------|-----------------|---------|----------------------------|
| Hanson Holdings (2) Limited | England & Wales | A' Ordinary | 39% | Investment holding company |

Indirect associated undertakings

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 |
|-------------------------------------|--------------------------|-----------------|---------|----------------------------|
| CGF Pty Limited | Australia | Common | 100% | Group finance company |
| | | Preference | 100% | |
| Hanson America Holdings (1) Limited | England & Wales | 'A' Ordinary | 100% | Dormant company |
| | | 'B' Ordinary | 100% | |
| | | 'C' Ordinary | 100% | |
| Hanson America Holdings (3) Limited | England & Wales | 'A' Ordinary | 100% | Investment holding company |
| Beforeblend Limited | England & Wales | 'B' Ordinary | 100% | Investment holding company |
| | | 'A' Ordinary | 100% | |
| Hanson FP Holdings B.V. | The Netherlands | Ordinary | 100% | Investment holding company |
| Visionfocus Limited | England & Wales | Ordinary | 100% | Investment holding company |

The registered office of the investments incorporated in England & Wales is Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ.

The registered office of CGF Pty Limited is Level 10, 35 Clarence Street, New South Wales 2000, Sydney, Australia.

The registered office of Hanson FP Holdings B.V. is Pettelaarpark 30, 's-Hertogenbosch, 5216 PD The Netherlands.

EFFECTENGAGE LIMITED

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

6. Debtors

| | 2021 £000 | 2020 £000 |
|------------------------------------|--------------|--------------|
| Due within one year | | |
| Amounts owed by group undertakings | 1,089 | 1,089 |

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

7. Share capital

| | 2021 £000 | 2020 £000 |
|---|--------------|--------------|
| Allotted, called up and fully paid | | |
| 26,405 (2020 - 26,405) 'A' ordinary shares of £1 each | 26 | 26 |
| 86,772 (2020 - 86,772) 'B' ordinary shares of £1 each | 87 | 87 |
| | <u>113</u> | <u>113</u> |

The 'A' and 'B' ordinary shares rank pari passu in all respects except for rights to dividend, voting and return on capital which are in the proportion of 10,000:1.

8. Related party transactions

The Company has taken advantage of the exemption under paragraph 33.1A of FRS102 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 | 1,089 | 1,089 |

9. Ultimate parent undertaking and controlling party

The Company's immediate parent undertaking is Sinclair General Corporation, a company registered in Panama. 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.