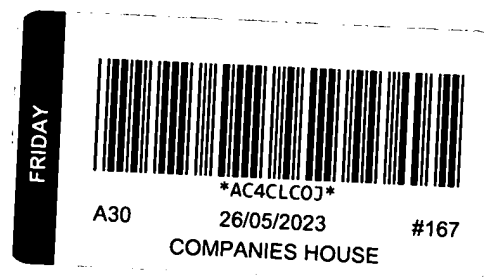


Registered number: 03247630

**HANSON HOLDINGS (2) LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



**HANSON HOLDINGS (2) LIMITED**

**COMPANY INFORMATION**

<b>Directors</b>	N Benning-Prince R C Dowley E A Gretton A Quilez Somolinos
<b>Company secretary</b>	W F Rogers
<b>Registered number</b>	03247530
<b>Registered office</b>	Second Floor Arena Court Crown Lane Maidenhead Berkshire SL6 8QZ
<b>Independent auditors</b>	PricewaterhouseCoopers LLP 2 Glass Wharf Bristol BS2 0FR

## **HANSON HOLDINGS (2) LIMITED**

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## **HANSON HOLDINGS (2) LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

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

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

The Company is a group investment holding company.

On 22 June 2022 the Company sold its investment in Hanson (MR) Limited to a fellow group undertaking, St Edouard S.à r.l. at its market value of £812,000, realising neither a profit nor loss on disposal. The funds were placed into an interest bearing money market deposit with the Company's ultimate parent undertaking, HeidelbergCement AG.

On 13 October 2022, the Company received a dividend in specie of £647,562,000 from its subsidiary, Visionfocus Limited, which was satisfied by the assignment to the Company of intercompany receivables of £502,356,000 owed by Houserate Limited and £145,206,000 owed by Hanson Limited. Subsequently, the Company impaired its investment in Visionfocus Limited by £647,669,000 to bring the carrying value in line with the underlying net assets. This has been treated as an exceptional item.

On 17 October 2022, the Company reduced its share premium account from £662,982,000 to £nil with the aggregate amount of such reduction credited to the distributable reserves of the Company.

On 17 November 2022, the Company declared dividends in specie totalling £873,178,000, which were satisfied by the assignment of intercompany receivables of £727,773,000 owed by Houserate Limited, £145,206,000 owed by Hanson Limited and £199,000 owed by Hanson Holdings (1) Limited.

These transactions are part of a wider plan to simplify the group structure in the UK.

During the year the Company partially released the impairment against its investment in CGF Pty Limited by £84,000 to bring the carrying value of the investment 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 £13,000 (2021 - £nil (unaudited)).

Dividends in specie totalling £873,178,000 (2021 - £nil (unaudited)) were paid during the year. The Directors do not recommend payment of a final dividend (2021 - £nil (unaudited)).

#### **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 of identifiable risks on their global business activities, including the on-going impact of the Ukraine crisis, the volatility in energy and raw materials markets, inflationary pressures, rising interest rates and the overarching impact these factors have on construction and consumer markets, and continues to operate on a going concern basis.

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.

**HANSON HOLDINGS (2) LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2022**

**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  
A Quilez Somolinos

**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 2006. 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.

**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 were appointed as auditors for the year ended 31 December 2022. 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 9 May 2023 and signed on its behalf.

*Wendy F Rogers*

**W F Rogers**  
Secretary

## HANSON HOLDINGS (2) LIMITED

### DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

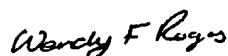
Under company law, Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- 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 101 have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is 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 9 May 2023 and signed on its behalf.



W F Rogers  
Secretary

# Report on the audit of the financial statements

## Opinion

In our opinion, Hanson Holdings (2) Limited's financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", 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 2022; 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.

## **HANSON HOLDINGS (2) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON HOLDINGS (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 2022 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.



## **HANSON HOLDINGS (2) LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON HOLDINGS (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
- Challenging management on key accounting estimates and auditing the assumptions to supporting third party documentation where applicable.

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.

### **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.

HANSON HOLDINGS (2) LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON HOLDINGS (2) LIMITED

## Other matter

The financial statements for the year ended 31 December 2021, forming the corresponding figures of the financial statements for the year ended 31 December 2022, are unaudited.

*Stuart Couch*

Stuart Couch (Senior statutory auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol

12 May 2023

**HANSON HOLDINGS (2) LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

		<b>2022</b>	<b>Unaudited</b>
	<b>Note</b>	<b>£000</b>	<b>2021</b>
			<b>£000</b>
Exceptional items - Impairment of fixed asset investments and release of impairment in value of fixed asset investments	5	(647,585)	-
<b>Operating loss</b>		<b>(647,585)</b>	<b>-</b>
Income from fixed assets investments		647,562	-
Interest receivable and similar income	6	10	-
<b>Loss before tax</b>		<b>(13)</b>	<b>-</b>
Tax on loss	7	-	-
<b>Loss for the financial year</b>		<b>(13)</b>	<b>-</b>
<b>Total comprehensive expense for the year</b>		<b>(13)</b>	<b>-</b>

All amounts relate to continuing operations.

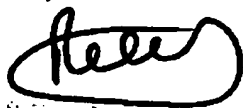
The notes on pages 11 to 19 form part of these financial statements.

**HANSON HOLDINGS (2) LIMITED**  
**REGISTERED NUMBER: 03247530**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £000	Unaudited 2021 £000
<b>Fixed assets</b>			
Investments	9	158,435	806,832
<b>Current assets</b>			
Debtors: amounts falling due within one year	10	821	225,615
<b>Net assets</b>		<u>159,256</u>	<u>1,032,447</u>
<b>Capital and reserves</b>			
Called up share capital	11	268	268
Share premium account		-	662,982
Profit and loss account		158,988	369,197
<b>Total equity</b>		<u>159,256</u>	<u>1,032,447</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 9 May 2023.



**R C Dowley**  
Director

The notes on pages 11 to 19 form part of these financial statements.

**HANSON HOLDINGS (2) LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 January 2021 (unaudited)	268	662,982	369,197	1,032,447
At 1 January 2022 (unaudited)	268	662,982	369,197	1,032,447
Comprehensive expense for the year				
Loss for the year	-	-	(13)	(13)
Total comprehensive expense for the year	-	-	(13)	(13)
Contributions by and distributions to owners				
Capital reduction	-	(662,982)	662,982	-
Dividends paid	-	-	(873,178)	(873,178)
Total transactions with owners	-	(662,982)	(210,196)	(873,178)
At 31 December 2022	268	-	158,988	159,256

The notes on pages 11 to 19 form part of these financial statements.

## **HANSON HOLDINGS (2) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. Accounting policies**

##### **1.1 General information**

Hanson Holdings (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.

##### **1.2 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 (FRS101) 'Reduced Disclosure Framework' 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.

##### **1.3 Financial Reporting Standard 101 - reduced disclosure exemptions**

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

This information is included in the consolidated financial statements of HeidelbergCement AG as at 31 December 2022 and these financial statements may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.

## **HANSON HOLDINGS (2) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. Accounting policies (continued)**

##### **1.4 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 of identifiable risks on their global business activities, including the on-going impact of the Ukraine crisis, the volatility in energy and raw materials markets, inflationary pressures, rising interest rates and the overarching impact these factors have on construction and consumer markets, and continues to operate on a going concern basis.

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.

##### **1.5 Financial Instruments**

###### **Financial assets**

Financial assets are initially measured at fair value plus, in the case of a financial asset not subsequently measured at fair value through profit or loss, transaction costs.

The Company's financial assets comprise amounts owed by group undertakings.

Financial assets are subsequently measured at amortised cost where they are financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Amortised cost is calculated using the effective interest method and represents the amount measured at initial recognition less repayments of principal plus the cumulative amortisation using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

###### **Impairment of financial assets**

The Company recognises a loss allowance for expected credit losses ("ECL") on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The ECL required for other debt instruments is determined using a three stage model.

- At the initial recognition of the financial asset an expected credit loss provision is recorded for the twelve month period following the reporting date. Any interest revenue is calculated on the gross carrying amount of the financial asset.

- If the credit risk of that financial instrument has increased significantly since initial recognition, a loss allowance for full lifetime expected credit losses is recorded. Any interest revenue is calculated on the gross carrying amount of the financial asset. Should the significant increase in credit risk reverse within subsequent reporting periods then the expected credit losses on the financial instrument revert to being measured based on an amount equal to the twelve month expected credit losses.

## **HANSON HOLDINGS (2) LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022**

#### **1. Accounting policies (continued)**

##### **1.5 Financial instruments (continued)**

- If objective evidence of impairment exists, a loss allowance for full lifetime expected credit losses is recognised. Any interest revenue is calculated on the net carrying amount of the financial asset.

##### **1.6 Investments**

Investments in subsidiaries are held at historical cost less provision for impairment.

##### **1.7 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.

##### **1.8 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **1.9 Current taxation**

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.

##### **1.10 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.

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

##### **Impairment of investments**

The Company reviews investments in subsidiaries 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.



## HANSON HOLDINGS (2) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 2. Judgments in applying accounting policies and key sources of estimation uncertainty (continued)

##### Recoverability of amounts owed by group undertakings

The Company recognises a loss allowance for expected credit losses (ECL) on investments in debt instruments that are measured at amortised cost. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

#### 3. 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.

#### 4. Staff costs

The average monthly number of employees, including the Directors, during the year was nil (2021 - nil (unaudited)).

The Directors of the Company are also directors of a number of the group's fellow subsidiaries. The Directors received total remuneration of £967,000 (2021 - £1,063,000 (unaudited)), 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.

#### 5. Exceptional items

	2022 £000	Unaudited 2021 £000
Impairment of fixed asset investments	(647,669)	-
Release of impairment in value of fixed asset investments	84	-
	<u>(647,585)</u>	<u>-</u>

During the year the Company impaired its investment in Visionfocus Limited by £647,669,000 to bring the carrying value of the investment in line with the underlying net assets following the receipt of a dividend in specie.

The Company also partially released the impairment of its investment in CGF Pty Limited by £84,000 to bring the carrying value of the investment in line with the underlying net assets.

#### 6. Interest receivable and similar income

	2022 £000	Unaudited 2021 £000
Interest receivable from ultimate parent undertaking	<u>10</u>	<u>-</u>

## HANSON HOLDINGS (2) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 7. Taxation

	2022 £000	Unaudited 2021 £000
<b>Current tax</b>		
Current UK corporation tax on loss for the year	-	-
<b>Total current tax</b>	-	-

#### Reconciliation of the tax charge for the year

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

	2022 £000	Unaudited 2021 £000
Loss before tax	(13)	-
Loss before tax multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	(2)	-
<b>Effects of:</b>		
Non-taxable impairment in investment	123,041	-
Non-taxable income	(123,037)	-
Group relief	(484)	(322)
Transfer pricing adjustments	482	322
<b>Total tax charge for the year</b>	-	-

#### Change in corporation tax rate

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

## HANSON HOLDINGS (2) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 8. Dividends paid

	2022 £000	Unaudited 2021 £000
Dividends paid on 'A' ordinary shares	872,912	-
Dividends paid on 'B' ordinary shares	266	-
	<u>873,178</u>	<u>-</u>

On 17 November 2022, the Company declared dividends in specie totalling £873,178,000, which were satisfied by the assignment of intercompany receivables of £727,773,000 owed by Houserate Limited, £145,206,000 owed by Hanson Limited and £199,000 owed by Hanson Holdings (1) Limited.

#### 9. Investments

	Investments in subsidiary companies £000	Other investments £000	Total £000
<b>Cost or valuation</b>			
At 1 January 2022 (unaudited)	1,288,013	1,016	1,289,029
Disposals	-	(1,016)	(1,016)
At 31 December 2022	<u>1,288,013</u>	<u>-</u>	<u>1,288,013</u>
<b>Impairment</b>			
At 1 January 2022 (unaudited)	481,993	204	482,197
Charge for the year	647,669	-	647,669
Disposals	-	(204)	(204)
Reversal of impairment losses	(84)	-	(84)
At 31 December 2022	<u>1,129,578</u>	<u>-</u>	<u>1,129,578</u>
<b>Net book value</b>			
At 31 December 2022	<u>158,435</u>	<u>-</u>	<u>158,435</u>
At 31 December 2021 (unaudited)	<u>806,020</u>	<u>812</u>	<u>806,832</u>

On 22 June 2022 the Company sold its investment in Hanson (MR) Limited to a fellow group undertaking, St Edouard S.à r.l. at its market value of £812,000, realising neither a profit nor loss on disposal.

## HANSON HOLDINGS (2) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 9. Investments (continued)

During the year the Company impaired its investment in Visionfocus Limited by £647,669,000 to bring the carrying value of the investment in line with the underlying net assets following the receipt of a dividend in specie.

The Company also partially released the impairment of its investment in CGF Pty Limited by £84,000 to bring the carrying value of the investment in line with the underlying net assets.

#### Direct subsidiary undertakings

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

Name	Country of incorporation	Class of shares	Holding	Principal activity
Visionfocus Limited	England and Wales	Ordinary	100%	Investment holding company
CGF Pty Limited	Australia	Common Preference	100%	Group finance company

#### Indirect subsidiary 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
Beforeblend Limited	England and Wales	'A' Ordinary	100%	Investment holding company
Hanson America Holdings (3) Limited	England and Wales	'A' Ordinary	100%	Investment holding company
Hanson FP Holdings B.V.	The Netherlands	'B' Ordinary	100%	Investment holding company
Hanson America Holdings (1) Limited	England and Wales	'A' Ordinary	100%	Dormant company
		'B' Ordinary	100%	
		'C' Ordinary	100%	

The registered office of the investments incorporated in England and Wales is Second Floor, Arena Court, Crown Lane, Berkshire, Maidenhead, SL6 8QZ.

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

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

## HANSON HOLDINGS (2) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 10. Debtors

	2022 £000	Unaudited 2021 £000
<b>Due within one year</b>		
Amounts owed by group undertakings	821	225,615

Included within amounts owed by group undertakings is an amount of £821,000 (2021 - £nil (unaudited)) which is unsecured, repayable on demand and accrues interest at a 12 month SONIA swap rate.

The remaining amounts owed by group undertakings are interest free. All amounts owed to group undertakings are unsecured and repayable on demand.

#### 11. Share capital

	2022 £000	Unaudited 2021 £000
<b>Authorised</b>		
75,000 (2021 - 75,000) 'A' ordinary shares of £1 each	75	75
225,000 (2021 - 225,000) 'B' ordinary shares of £1 each	225	225
	<u>300</u>	<u>300</u>
<b>Allotted, called up and fully paid</b>		
66,305 (2021 - 66,305) 'A' ordinary shares of £1 each	66	66
201,800 (2021 - 201,800) 'B' ordinary shares of £1 each	202	202
	<u>268</u>	<u>268</u>

The voting, dividend and distribution rights are in the proportion of 9,999.97332:1 for each 'A' and 'B' share respectively.

## HANSON HOLDINGS (2) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

#### 12. Related party transactions

The Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 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:

	2022 £000	Unaudited 2021 £000
Amounts owed by ultimate parent undertaking	821	-
Amounts owed by indirect parent undertaking	-	225,416
Amounts owed by fellow group subsidiary undertaking	-	199
	<u>821</u>	<u>225,615</u>

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

The Company's immediate parent undertaking is Beforebeam 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.