

**HANSON HOLDINGS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2022**



## **HANSON HOLDINGS LIMITED**

### **COMPANY INFORMATION**

**Directors**

N Benning-Prince  
R C Dowley  
E A Gretton  
A Quilez Somolinos

**Company secretary**

W F Rogers

**Registered number**

05009743

**Registered office**

Second Floor  
Arena Court  
Crown Lane  
Maidenhead  
Berkshire  
SL6 8QZ

**Independent auditors**

PricewaterhouseCoopers LLP  
2 Glass Wharf  
Bristol  
BS2 0FR

# **HANSON HOLDINGS LIMITED**

## **CONTENTS**

	<b>Page(s)</b>
<b>Strategic Report</b>	<b>1</b>
<b>Directors' Report</b>	<b>2 - 5</b>
<b>Directors' Responsibilities Statement</b>	<b>6</b>
<b>Independent Auditors' Report</b>	<b>7 - 10</b>
<b>Statement of Comprehensive Income</b>	<b>11</b>
<b>Balance Sheet</b>	<b>12</b>
<b>Statement of Changes in Equity</b>	<b>13</b>
<b>Notes to the Financial Statements</b>	<b>14 - 21</b>
<b>Appendix I - Listing of indirect subsidiaries and investments</b>	<b>22 - 26</b>

# **HANSON HOLDINGS LIMITED**

## **STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022**

### **Business review**

The Company is a group investment holding company.

On 8 December 2022 the Company received a dividend in specie of £99,026,000 from its subsidiary, Civil and Marine Limited, which was satisfied by the assignment of an intercompany receivable due from Hanson Limited.

On 15 December 2022 the Company received a cash dividend of £181,000,000 from its subsidiary, Civil and Marine Limited.

At the year end the Company partially released the impairment against its investment in Hanson Finance Limited by £8,948,000 to bring the carrying value in line with the underlying net assets. This has been treated as an exceptional item.

### **Section 172(1) Statement**

The primary purpose of the Company is that of group investment holding company. The overall objective of the Directors is to maximise shareholder and stakeholder value whilst working to a sustainable long-term business model. The Directors work to ensure the business strategy and objectives of the Company are aligned with that of the Group. As a group investment holding company, the Company has limited stakeholders having no customers, suppliers or employees.

During the year, following the receipt of a dividend specie and a cash dividend from its subsidiary, Civil and Marine Limited, the Company declared a dividend in specie of £99,026,000 and a cash dividend of £181,000,000 to repatriate surplus assets not required by the business to its shareholder. Prior to undertaking such steps, the Company actively engaged with its shareholder to agree the appropriate course of action.

### **Principal risks and uncertainties**

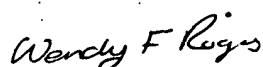
#### **Group undertakings**

The Company's results arise from transactions with fellow group undertakings in the group headed by Heidelberg Materials AG (formerly HeidelbergCement AG). The Directors are therefore of the opinion that the Company is not directly exposed to significant risks and uncertainty; however, by the very nature of its activities, the Company is indirectly exposed to similar risks and uncertainties to those faced by other group companies. Details of the proposed risks and uncertainties facing the group headed by Heidelberg Materials AG are disclosed in the financial statements of that Company.

#### **Foreign exchange risk**

The Company is exposed to foreign exchange risk in respect of its investments in subsidiary undertakings, which are supported by assets and future operating cashflows, some of which are in Australian dollars. Significant fluctuations in foreign currency rates could potentially result in future impairment charges. These are not hedged.

This report was approved by the board on 27 September 2023 and signed on its behalf.



**W F Rogers**  
Secretary

## **HANSON HOLDINGS 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.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £288,974,000 (2021 - £nil (unaudited)).

During the year the Company paid a dividend in specie of £99,026,000 (2021 - £nil (unaudited)) and a cash dividend of £181,000,000 (2021 - £nil (unaudited)).

The Directors do not recommend the 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 Heidelberg Materials AG (formerly HeidelbergCement AG) group and therefore its on-going activity is dependent on the operational activity of the Heidelberg Materials AG 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, Heidelberg Materials AG, 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.

#### **Engagement with employees**

The Company has no employees. This report therefore summarises the engagement with employees of the Company's subsidiaries.

The Company's subsidiaries take a number of measures to ensure proactive and meaningful engagement with their workforce - this applies to all employees and all companies within Hanson UK.

Hanson UK values engagement with its workforce, as a key stakeholder. The engagement takes place on many different levels, using a variety of formal and informal measures, which facilitates two-way dialogue to ensure employees have a direct voice to the executive team.

An employee forum has been established, with 11 active employee representatives representing the various business lines and staff functions. Historically, the forum met once a year with additional meetings held at the request of either the employee representatives or management. However weekly meetings with the employee forum were held from the start of the COVID-19 crisis to keep the representatives abreast of changing policies, business impact and performance with the forum members raising questions and providing feedback on behalf of their constituents. Following the pandemic it was agreed that more regular contact had been both beneficial and essential and that fortnightly meetings should now continue to be held to most effectively utilise the forum.

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

**Engagement with employees (continued)**

Four members of the forum also sit on the ultimate parent company's European Works Council, which the Directors believe represents a positive opportunity for the UK workforce to make its voice heard directly at the level of the ultimate parent company.

The employee forum acts as a key information and discussion channel between employees and executive management. At the September 2022 meeting, Hanson UK's chief executive officer (CEO), together with business line managing directors, provided detailed updates on health and safety progress and related improvement plans, on sustainability and our commitment to achieving carbon neutrality, on business performance and market outlook, as well as on the core objectives of our strategy.

Employee representatives raised numerous points of discussion during the meeting, with employees invited to anonymously submit questions in advance. These processes lead to a combination of management commitments, reviews and explanations on a wide range of safety, environmental, operational and commercial matters. Minutes are taken which are published on the Hanson UK intranet, together with the questions and answers. The Directors believe that the employee forum provides a positive and transparent means of engaging with the workforce as a key stakeholder, in the interests of the long-term sustainability of the Company and its operations.

In addition to the employee forum, the CEO delivers a national leadership communication roadshow each year. These take the form of informal town hall talks, with the CEO providing detailed updates to staff regarding business performance, strategy and the priorities for the year ahead, as well as giving the workforce the opportunity to put questions directly to the senior management in attendance.

Other measures to facilitate effective engagement with employees include the use of regular business update videos by executive management, as well as the quarterly publication of Hanson UK's Team magazine, which is sent to every employee's home address, and includes regular updates through the year on business performance and strategy. Hanson UK's Team magazine also communicates to employees the many positive measures Hanson UK takes to support our local communities as key stakeholders in the context of the long-term sustainability of our operations.

Additionally in November 2022 Hanson email accounts were rolled out to all blue-collar operational staff which has now given them access to all our digital communications, thereby improving our communication channels and allowing engagement with the wider workforce.

The Directors also value the consultations undertaken with trade unions, setting out detailed business performance updates when meeting with them. Driver forums have also been established, allowing focused engagement and briefings with the personnel in the supply chain. The Head of Human Resources supervises all of these processes and as a member of the Hanson UK executive team reports back on a monthly basis on feedback received from employees and on how the Company's values and culture are embedded within the workforce. Employee surveys have also been carried out periodically as a further means of monitoring the culture and values within our workforce, leading to the development of plans for managers to address feedback received. The 2022 employee survey showed a 5% further increase in employee engagement from 68% to 73%. The results were cascaded throughout the organisation and action plans are developed and implemented within each business line as well as Hanson UK. The next survey will be carried out in May 2024.

Hanson UK values the importance of visible felt leadership in managing all its operations. This involves executive management regularly attending site, to lead by example and engage with staff with regard to the vision, values and culture of Hanson UK, in order to ensure the health and safety of our employees and to monitor the degree to which our values are embedded within our operations.

A further component of engagement with employees is the annual Hanson UK return to work carried out on the first working day of the New Year, with a Back to Work safety stand down before the year's operations commenced, in order to cascade the 2022 year-end performance and to communicate the plans for 2023. Each business line has put in place health and safety improvement plans which cover a range of topics throughout the year.

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

**Engagement with employees (continued)**

To continue to support our commitments to Health and Wellbeing a new Health and Wellbeing Specialist role was introduced in 2022 to assist with strategy planning, communication and engagement in this area. There are regular email circulations, lunch and learn sessions concerning Wellbeing topics and a published calendar of events for the year.

The health and wellbeing of employees are priorities which impact the success of the business. The steering group advocates mental and physical wellness for everyone at Hanson UK and encourages employees from all operations to become involved. Specialist Start the Conversation training is provided to line managers and supervisors and the Company works closely with the charity Mates in Mind to raise awareness of mental health issues among staff and provide mental health first aid training, so that managers feel able to recognise warning signs and ensure support. Additionally, over 150 mental health first aiders have been trained across the business and refresher training and coaching provided to ensure our first aiders are supported and their skills are kept up to date.

Hanson UK is committed to being a fair, inclusive, and respectful business, whilst raising awareness of key challenges both internally and across the industry. To implement this commitment, we have a Fairness, Awareness, Inclusion and Respect (FAIR) committee. Led by a member of the executive board and made up from a range of diverse backgrounds the committee shape our strategy and promote the business as a place where anyone, regardless of gender, background, age, ethnicity, disability or sexual orientation feels welcome and able to have a successful career.

In addition to the FAIR committee, there are now two employee networks: Network of Women (NOW) and the LGBT+ network. The Network of Women continues to be supported and is growing with fortnightly committee meetings held to monitor progress. The network host regular 'lunch and learn' sessions which are open to anyone in the business.

Since the launch of the LGBT+ committee in September 2021 the network has grown to include a wider range of employees. The network provides a community space for LGBT+ people and allies to communicate and share their experiences and provides peer to peer support for all persons.

To further imbed Inclusion and Diversity 25 Inclusion Champions have now been trained. The role of the Inclusion Champion is to be a visible point for questions, queries and situations involving diversity and inclusion, as well as to escalate issues or questions to the FAIR committee. They are role models for positive inclusion practice, promoting all aspects of diversity, inclusion and equality in the workplace. They also educate and demonstrate on appropriate constructively challenging non-inclusive situations including the use of toolbox talk sessions.

Employees are provided with an occupational health program that includes annual and biennial medicals depending on job profile. An Employee Assistance Programme (EAP) provides employees with immediate access to confidential 24-hour telephone counselling and support. The helpline is available to support all Hanson UK employees and provides support through work and life issues and problems arising, ranging from legal to medical, stress and general health, fitness and wellbeing advice. The EAP is completely confidential, with high level statistical information relating to usage level being passed to management for periodic review.

Hanson UK's values are also underpinned by a broad range of policies ranging from management responsibilities and matters of legal compliance, to dignity at work and ensuring fairness, inclusion and respect in the workplace at all times. Where employees do not feel able to express concerns within the structure of reporting lines, an online reporting platform has been established to provide employees with an opportunity to address any compliance related concerns and matters of potential policy transgression, within a safe and protected process; issues raised are reviewed and investigated, with reporting back to the Hanson UK executive team.

## **HANSON HOLDINGS LIMITED**

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

#### **Engagement with employees (continued)**

The various measures described in this report are reviewed annually by the Hanson UK executive team and the Company believes that collectively they allow for a strong level of communication and engagement with employees.

#### **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**

Heidelberg Materials 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.

#### **Disclosure of information to auditors**

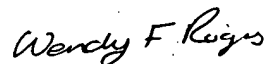
Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- 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.

This report was approved by the board on 27 September 2023 and signed on its behalf.



**W F Rogers**  
Secretary



## HANSON HOLDINGS LIMITED

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

The Directors are responsible for preparing the Strategic Report, 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 prepared 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 the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 enable them to ensure that the financial statements comply with the Companies Act 2006.

The Responsibilities Statement was approved by the board on 27 September 2023 and signed on its behalf.



**W F Rogers**  
Secretary

# Report on the audit of the financial statements

## Opinion

In our opinion, Hanson Holdings 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 profit 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HANSON HOLDINGS 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 Strategic Report and 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.

### **Strategic report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and 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 Strategic report and Directors' report.

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

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

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

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

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

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

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

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

## 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 (Senior statutory auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Bristol  
28 September 2023

# HANSON HOLDINGS LIMITED

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

	Note	2022 £000	Unaudited 2021 £000
Exceptional items - Release of impairment in value of fixed asset investments	4	8,948	-
<b>Operating profit</b>		8,948	-
Income from fixed assets investments		280,026	-
<b>Profit before tax</b>		288,974	-
Tax on profit	7	-	-
<b>Profit for the financial year</b>		288,974	-
<b>Total comprehensive income for the year</b>		288,974	-

All amounts relate to continuing operations.

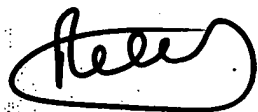
The notes on pages 14 to 21 and Appendix I form part of these financial statements.

**HANSON HOLDINGS LIMITED**  
**REGISTERED NUMBER: 05009743**

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

	Note	2022 £000	Unaudited 2021 £000
<b>Fixed assets</b>			
Investments	8	3,464,226	3,455,278
<b>Current assets</b>			
Debtors: amounts falling due within one year	9	50	50
<b>Net assets</b>		<u>3,464,276</u>	<u>3,455,328</u>
<b>Capital and reserves</b>			
Called up share capital	10	1,600,000	1,600,000
Other reserves	11	4,168	4,168
Profit and loss account		1,860,108	1,851,160
<b>Total equity</b>		<u>3,464,276</u>	<u>3,455,328</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 27 September 2023.



**R C Dowley**  
Director

The notes on pages 14 to 21 and Appendix I form part of these financial statements.

**HANSON HOLDINGS LIMITED**  
**REGISTERED NUMBER: 05009743**

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

	<b>Called up share capital £000</b>	<b>Other reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total equity £000</b>
<b>At 1 January 2021 (unaudited)</b>	1,600,000	4,168	1,851,160	3,455,328
<b>At 1 January 2022 (unaudited)</b>	1,600,000	4,168	1,851,160	3,455,328
<b>Comprehensive income for the year</b>				
Profit for the year	-	-	288,974	288,974
<b>Contributions by and distributions to owners</b>				
Dividends paid	-	-	(280,026)	(280,026)
<b>At 31 December 2022</b>	<u>1,600,000</u>	<u>4,168</u>	<u>1,860,108</u>	<u>3,464,276</u>

The notes on pages 14 to 21 and Appendix I form part of these financial statements..



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

**1. General information**

Hanson Holdings 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 101 (FRS 101) '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.

**2.2 Financial Reporting Standard 101 - reduced disclosure exemptions**

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the 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 Heidelberg Materials AG as at 31 December 2022 and these financial statements may be obtained from Berliner Strasse 6, D 69120 Heidelberg, Germany.

**2.3 Going concern**

The Company has limited activity outside of the Heidelberg Materials AG group and therefore its on-going activity is dependent on the operational activity of the Heidelberg Materials AG group.

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

**2. Accounting policies (continued)**

**2.3 Going concern (continued)**

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, Heidelberg Materials AG, 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.

**2.4 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.
- 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.

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

**2. Accounting policies (continued)**

**2.5 Investments**

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

**2.6 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.

**2.7 Current tax**

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

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

**2.8 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. Judgements in applying accounting policies and key sources of estimation uncertainty**

**Impairment of investments**

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

The recoverable amount represents the net assets of the investment at the time of the review or where applicable is represented by an estimate of future cash flows expected to arise from the investment. A suitable discount rate is applied to the future cash flows in order to calculate the present value.

Reversals of impairments are recognised where there is a favourable change in the economic assumptions in the period since the provision was made.

**Recoverability of amounts owed by group undertakings**

The Company 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.

# HANSON HOLDINGS LIMITED

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

### 4. Exceptional items

	2022 £000	Unaudited 2021 £000
Release of impairment in value of fixed asset investments	8,948	-

During the year the Company partially released the impairment against its investment in Hanson Finance Limited by £8,948,000 (2021 - £nil (unaudited)) to bring the carrying value in line with the underlying net assets. Net assets have been used as an approximation of the fair value less costs of disposal.

### 5. Auditors' remuneration

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

### 6. 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 - £932,000 (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.

### 7. Tax

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

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2022**
**7. Tax (continued)****Reconciliation of the tax charge for the year**

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

	<b>2022</b> <b>£000</b>	<b>Unaudited</b> <b>2021</b> <b>£000</b>
Profit before tax	288,974	-
Profit before tax multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	54,905	-
<b>Effects of:</b>		
Non-tax deductible reversal of impairment of investments	(1,700)	-
Non-taxable income	(53,205)	-
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

**Change in corporation tax rate**

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

# HANSON HOLDINGS LIMITED

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

### 8. Fixed asset investments

	Investments in subsidiary companies £000
<b>Cost</b>	
At 1 January 2022 (unaudited) and 31 December 2022	3,616,760
<b>Impairment</b>	
At 1 January 2022 (unaudited)	161,482
Reversal of impairment losses	(8,948)
At 31 December 2022	152,534
<b>Net book value</b>	
At 31 December 2022	3,464,226
At 31 December 2021 (unaudited)	3,455,278

During the year the Company partially released the impairment against its investment in Hanson Finance Limited by £8,948,000 (2021 - £nil (unaudited)) to bring the carrying value in line with the underlying net assets. Net assets have been used as an approximation of the fair value less costs of disposal.

## HANSON HOLDINGS LIMITED

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

#### 8. Fixed asset investments (continued)

##### 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
Birchwood Concrete Products Limited	England and Wales	Ordinary	100%	Group finance company
Hanson Building Materials Limited	England and Wales	Ordinary	100%	Investment holding company
PILC Limited *	Guernsey	Ordinary	100%	Group finance company
Hanson Finance Limited	England and Wales	Ordinary	100%	Investment holding company
Hanson H4 Limited	England and Wales	Ordinary	100%	Group finance company
Hanson Hedging (Dollars) (1) Limited	England and Wales	Ordinary	100%	Investment holding company
Civil and Marine Limited	England and Wales	Ordinary	100%	Ground granulated blast furnace slag
Hanson Canada Limited	England and Wales	Ordinary	100%	Group finance company
Hanson Australia Funding Limited	Australia	Ordinary	100%	Investment holding company
Hanson Holdings (3) Limited	England and Wales	Ordinary	100%	Investment holding company

\* Registered as a UK Establishment.

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

The registered office of PILC Limited is 22 Havilland Street, St Peter Port, Guernsey, GY1 2QB, Channel Islands.

The registered office of Hanson Australia Funding Limited is 35 Clarence Street, Level 10, Sydney 2000, Australia.

A full listing of indirectly held investments is presented in Appendix I.

#### 9. Debtors

	2022 £000	Unaudited 2021 £000
<b>Due within one year</b>		
Amounts owed by group undertakings	50	50

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

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

**10. Share capital**

	2022 £000	Unaudited 2021 £000
<b>Allotted, called up and fully paid</b>		
1,600,000,000 (2021 - 1,600,000,000) ordinary shares of £1 each	1,600,000	1,600,000

The Company has no authorised share capital limit.

**11. Reserves****Other reserves**

The other reserve represents capital contributions received by the Company.

**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 Heidelberg Materials AG. Balances outstanding at 31 December with related parties, are as follows:

	2022 £000	Unaudited 2021 £000
Amounts owed by fellow group subsidiary undertakings	50	50

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

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



# HANSON HOLDINGS LIMITED

## APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2022

xName	Country of incorporation	Group ownership %	Registered office
A.R.C. (Western) Limited	England and Wales	100	*
A1 Services (Manchester) Limited	England and Wales	100	*
ARC Concrete (Anglia) Limited	England and Wales	100	*
ARC South Wales Limited	England and Wales	100	*
ARC South Wales Mortar Limited	England and Wales	100	*
ARC South Wales Quarries Limited	England and Wales	100	*
ARC South Wales Surfacing Limited	England and Wales	100	*
Amangani SA	Panama	100	PH ARIFA, 9th and 10th Floors, West Boulevard, Santa Maria Business District, Panama City, Panama
Appleby Group Limited	England and Wales	100	*
CHB Products Limited	England and Wales	100	*
Calumite Limited	England and Wales	51	*
Calumite s.r.o.	Czech Republic	51	Lihovarská 636/44, 718 00 Ostrava-Kunčičky, Czech Republic
Cement Australia (Coal) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia (Darra) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia (Exploration) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia (Goliath) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia (Queensland Transport) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia (Queensland) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia Holdings Pty Ltd	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia Packaged Products (Qld) Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia

# HANSON HOLDINGS LIMITED

## APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2022

xName	Country of incorporation	Group ownership %	Registered office
Cement Australia Packaged Products Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cement Australia Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Cementco Investments Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Charterneed Limited	England and Wales	100	*
City of London Heliport Limited	England and Wales	55.56	*
Civil and Marine (Holdings) Limited	England and Wales	100	*
Civil and Marine Slag Cement Limited	England and Wales	100	*
Claughton Manor Brick Limited (The)	England and Wales	100	*
Cumbrian Industrials Limited	England and Wales	100	*
Drew Group Holdings Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
F.C. Precast Concrete Limited	England and Wales	100	*
Geocycle Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Geocycle SBF Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Habfield Limited	England and Wales	100	*
Hanson (FP) Limited	England and Wales	100	*
Hanson Aggregates Marine Limited	England and Wales	100	*
Hanson Aggregates South Wales Holdings Limited	England and Wales	100	*
Hanson Aggregates South Wales Limited	England and Wales	100	*
Hanson Aggregates UK Limited	England and Wales	100	*
Hanson Bath and Portland Stone Limited	England and Wales	100	*
Hanson Blocks North Limited	England and Wales	100	*
Hanson Building Materials Europe Limited	England and Wales	100	*

# **HANSON HOLDINGS LIMITED**

## **APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2022**

<b>xName</b>	<b>Country of incorporation</b>	<b>Group ownership %</b>	<b>Registered office</b>
Hanson Building Products (2003) Limited	England and Wales	100	*
Hanson Cement Holdings Pty Ltd	Australia	100	35, Clarence Street, Level 10, 2000 Sydney, Australia
Hanson Concrete Products Limited	England and Wales	100	*
Hanson Crewing Services Limited	England and Wales	100	*
Hanson Facing Bricks Limited	England and Wales	100	*
Hanson Green Limited	Bermuda	100	Clarendon House, 2 Church Street, Hamilton, Bermuda
Hanson H5	England and Wales	100	*
Hanson Iceland EHF	Iceland	100	Hofdatorg, 18th Floor, 105 Reykjavík, Iceland
Hanson Marine Holdings Limited	England and Wales	100	*
Hanson Marine Limited	England and Wales	100	*
Hanson Quarry Products Europe Limited	England and Wales	100	*
Hanson Quarry Products Holdings Limited	England and Wales	100	*
Hanson Quarry Products Trade Finance Limited	England and Wales	100	*
Hanson Quarry Products Ventures Limited	England and Wales	100	*
Hanson Trustees Limited	England and Wales	100	*
HeidelbergCement Euro III Limited	England and Wales	100	*
Holme Sand & Ballast LLP	England and Wales	24.5	Caird Avenue, BH25 5PX New Milton, United Kingdom
Humber Sand and Gravel Limited	England and Wales	50	CEMEX House, Evreux Way, CV21 2DT Rugby, United Kingdom
ISIS Management Company Limited	England and Wales	31.08	1st Floor, Unit 16, Manor Court Business Park, YO11 3TU Scarborough, United Kingdom
Kimbolton Coal Company Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Kingston Minerals Limited	England and Wales	100	*

# **HANSON HOLDINGS LIMITED**

## **APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS AT 31 DECEMBER 2022**

<b>xName</b>	<b>Country of incorporation</b>	<b>Group ownership %</b>	<b>Registered office</b>
Manchester Waste Recycling Limited	England and Wales	100	*
Marples Ridgway Limited	England and Wales	100	*
Mendip Rail Limited	England and Wales	50	Bardon Hall, Copt Oak Road, LE67 9PJ Markfield, United Kingdom
Midland Quarry Products Limited	England and Wales	100	*
Milton Hall (Southend) Brick Company Limited (The)	England and Wales	100	*
National Brick Company Limited	England and Wales	100	*
National Star Brick and Tile Holdings Limited	England and Wales	100	*
National Star Limited	England and Wales	100	*
New Milton Concrete Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
New Milton Sand and Ballast Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
North Tyne Roadstone Limited	England and Wales	50	Ground Floor T3 Trinity Park, Bickenhill Lane, B37 7ES Birmingham, United Kingdom
Pacific Lime Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Pencrete Limited	England and Wales	100	*
Pozzolanic Enterprises Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Pozzolanic Holdings Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Pozzolanic Industries Pty Limited	Australia	25	18, Station Avenue, 4076 Darra, Australia
Purfleet Aggregates Limited	England and Wales	100	*
Rezincote (1995) Limited	England and Wales	100	*
ST JUDE S.à r.l. (in liquidation)	Luxembourg	100	5, rue des Primeurs, 2361 Strassen, Luxembourg
Samuel Wilkinson & Sons Limited	England and Wales	100	*
Seacoast Products, Inc.	USA	68.5	Corporation Trust Centre, 1209 Orange Street, 19801 Wilmington, USA

**HANSON HOLDINGS LIMITED****APPENDIX I – LISTING OF INDIRECT SUBSIDIARIES AND INVESTMENTS  
AT 31 DECEMBER 2022**

<b>xName</b>	<b>Country of incorporation</b>	<b>Group ownership %</b>	<b>Registered office</b>
Seagoe Concrete Products Limited	England and Wales	100	*
Small Lots (Mix-It) Limited	England and Wales	100	*
Smiths Concrete Limited	England and Wales	49	Enslow, Kidlington, OX5 3AY Oxford, United Kingdom
Solent Industrial Estates Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom
The Cornwall Coal Company Pty Ltd	Australia	25	18, Station Avenue, 4076 Darra, Australia
The Purfleet Ship to Shore Conveyor Company Limited	England and Wales	100	*
UDS (No 10)	England and Wales	100	*
Viewgrove Investments Limited	England and Wales	100	*
W.G. Hibbs & Co. Limited	England and Wales	49	Caird Avenue, BH25 5PX New Milton, United Kingdom

\* The registered office of the investments as at 31 December 2022 was Hanson House, 14 Castle Hill, Maidenhead, SL6 4JJ. After the year end, the registered office of these investments was changed to Second Floor, Arena Court, Crown Lane, Maidenhead, Berkshire, SL6 8QZ.

HeidelbergCement Euro III Limited changed its name to Heidelberg Materials Euro III Limited with effect from 14 June 2023.

The registered office of Humber Sand and Gravel Limited was changed after the year end to Cemex House, Binley Business Park, Harry Weston Road, Coventry, CV3 2TY.

The registered office of ISIS Management Company Limited was changed after the year end to 5th Floor Minerva House, 29 East Parade, Leeds, LS1 5PS.