

Registered number: 05066506

## GRAYLING INTERNATIONAL LIMITED

UNAUDITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



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**GRAYLING INTERNATIONAL LIMITED**

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**COMPANY INFORMATION**

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<b>Directors</b>	N Jones M Morrow
<b>Registered number</b>	05066506
<b>Registered office</b>	8th Floor Holborn Gate 26 Southampton Buildings London WC2A 1AN

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## GRAYLING INTERNATIONAL LIMITED

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**GRAYLING INTERNATIONAL LIMITED**

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

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The Directors present their strategic report on the Company for the year ended 31 December 2022.

**Principal activities**

The Company is an investment holding company. The directors do not expect the principal activity of the Company to change for the foreseeable future.

**Business review**

The Company did not trade during the year and the Directors do not anticipate that the Company will trade in the foreseeable future.

The Company is an indirect subsidiary of Inizio Group Limited (formerly known as Hunter Holdco 3 Limited) for which the key performance indicators have been identified as revenue and profit before tax growth.

**Principal risks and uncertainties**

Inizio group management review the principal risks and uncertainties facing the Group and individual companies. The Company's key risks and uncertainties are identified as: economic, political, legislative, regulatory and tax changes; client diversification; changing client strategies; innovation; sustainability; talent management; legal and contract risks; regulatory and compliance risks; IT system adequacy; Cyber security; business continuity; Financial controls.

This report was approved by the board on 29 July 2023 and signed on its behalf.



**M Morrow**  
Director

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## GRAYLING INTERNATIONAL LIMITED

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

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

#### Dividends

During the current year and prior year, the Company received no income and incurred no expenditure and therefore made neither a profit or loss.

There were no dividends paid during the year ended 31 December 2022 (2021: £NIL).

The Statement of Profit and Loss and Other Comprehensive Income and Statement of Financial Position for the year ended 31 December 2022 are set out on pages 4 to 5 respectively.

#### Directors

The Directors who served during the year were:

N Jones  
M Morrow

None of the directors held any interest in the Company at the beginning or end of the year.

#### Contributions

The Company did not make any charitable or political donations that require disclosure in the financial year (2021: £NIL).

#### Future developments

The Directors expect that the Company will continue with its existing operations for the foreseeable future.

#### Going concern

The financial statements have been prepared on a going concern basis as a result of receipt of a letter of support from Inizio Group Limited. After reviewing the company's performance and considering the letter of support received, the Directors confirm that they have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

#### Events since year end

On 16th June 2023 the entire issued share capital of the Company, comprising 1,333,333 ordinary shares of £1.00 each was transferred from Huntsworth Investments Limited to Huntsworth Limited, a company incorporated in United Kingdom and also owned indirectly 100% by Inizio Group Ltd.

This report was approved by the board on 29 July 2023 and signed on its behalf.



**M Morrow**  
Director

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**GRAYLING INTERNATIONAL LIMITED**

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

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


Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that year.

In preparing these 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 UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 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. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board



**M Morrow**

Director

Date: 29 July 2023

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**GRAYLING INTERNATIONAL LIMITED**

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**STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2022**

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The Company has not traded during the year or the preceding financial year. During these periods, the Company received no income and incurred no expenditure and therefore made neither profit or loss.

**GRAYLING INTERNATIONAL LIMITED**  
**REGISTERED NUMBER: 05066506**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2022**

	Note	2022 £	2021 £
<b>Non-current assets</b>			
Fixed asset investments	4	-	-
		-	-
<b>Current assets</b>			
Debtors: amounts falling due within one year	5	5,254,981	5,254,981
		5,254,981	5,254,981
Creditors: amounts falling due within one year	6	(16,093,456)	(16,093,456)
<b>Net current liabilities</b>		(10,838,475)	(10,838,475)
<b>Total assets less current liabilities</b>		(10,838,475)	(10,838,475)
<b>Net liabilities</b>		(10,838,475)	(10,838,475)
<b>Capital and reserves</b>			
Called up share capital	7	1,333,333	1,333,333
Profit and loss account	8	(12,171,808)	(12,171,808)
		(10,838,475)	(10,838,475)

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

The Company was entitled to exemption from the requirement to have an audit under section 479A of the Companies Act 2006.

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 July 2023.

  
**M Morrow**  
 Director

The notes on pages 7 to 12 form part of these financial statements.



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**GRAYLING INTERNATIONAL LIMITED**

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

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	<b>Called up share capital</b>	<b>Profit and loss account</b>	<b>Total equity</b>
	<b>£</b>	<b>£</b>	<b>£</b>
<b>At 1 January 2021</b>	<b>1,333,333</b>	<b>(12,171,808)</b>	<b>(10,838,475)</b>
<b>At 1 January 2022</b>	<b>1,333,333</b>	<b>(12,171,808)</b>	<b>(10,838,475)</b>
<b>At 31 December 2022</b>	<b>1,333,333</b>	<b>(12,171,808)</b>	<b>(10,838,475)</b>

The notes on pages 7 to 12 form part of these financial statements.

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## GRAYLING INTERNATIONAL LIMITED

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

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#### 1. General information

Grayling International Limited ('the Company') is an investment holding company. The Company is a private limited company and is incorporated in the United Kingdom. The address of its registered office is 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom.

The financial statements present the information about the Company as an individual entity and not about the group. The Company is exempt from preparing consolidated financial statements under the conditions laid down in Section 401 of the Companies Act 2006. The Company is included in the consolidated financial statements of its indirect parent company Inizio Group Limited (formerly known as Hunter Holdco 3 Limited). Inizio Group Limited is a company incorporated and domiciled in the United Kingdom. The consolidated financial statements are prepared in accordance with UK adopted international accounting standards. Copies of Inizio Group Limited's financial year 2022 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom. Those financial statements have been prepared in a manner equivalent to consolidated accounts drawn up in accordance with the provisions of the Seventh Directive (83/349EEC).

#### 2. Accounting policies

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

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies.

##### 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 requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets.

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## GRAYLING INTERNATIONAL LIMITED

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

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

##### **2.3 New and amended standards adopted by the Company**

There are no amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2022 that have a material impact on the company's financial statements.

##### **2.4 New standards and interpretations not yet adopted**

Certain new accounting standards and interpretations have been published that are not mandatory for 31 December 2022 reporting periods and have not been early adopted by the Company. The standards, that are not yet effective, are expected to not have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

##### **2.5 Going concern**

The financial statements have been prepared on a going concern basis as a result of receipt of a letter of support from Inizio Group Limited. After reviewing the company's performance and considering the letter of support received, the Directors confirm that they have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

##### **2.6 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

The Company tests annually whether investments have suffered any impairment. The recoverable amounts of investments have been determined based on value in use calculations. The value in use calculation requires estimates the future cash flows expected to arise from investment and a suitable discount rate in order to calculate present value.

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## GRAYLING INTERNATIONAL LIMITED

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

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#### 2. Accounting policies (continued)

##### 2.7 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### Impairment of financial assets

The Company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

*ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).*

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The carrying amount of the financial asset is reduced by the impairment loss directly for all financial assets with the exception of trade receivables, where the carrying amount is reduced through the use of a provision account. When a trade receivable is considered uncollectible, it is written off against the provision account. Subsequent recoveries of amounts previously written off are credited against the provision account. Changes in the carrying amount of the provision are recognised in the income statement.

##### 2.8 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### 3. Employees

The Company had no employees during the year ended 31 December 2022 (2021: NIL).

The directors of the Company did not receive any emoluments for services provided in their capacity as directors of the Company.

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GRAYLING INTERNATIONAL LIMITED

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

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4. Fixed asset investments

	Investments in subsidiary companies £
<b>Cost or valuation</b>	
At 1 January 2022	10,808,902
At 31 December 2022	10,808,902
<b>Impairment</b>	
At 1 January 2022	10,808,902
At 31 December 2022	10,808,902
<b>Net book value</b>	
At 31 December 2022	-
At 31 December 2021	-

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**GRAYLING INTERNATIONAL LIMITED**

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

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**4. Fixed asset investments (continued)**

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

<b>Name</b>	<b>Registered office</b>	<b>Class of shares</b>	<b>Holding</b>
Grayling UK Limited	8th Floor Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN	Ordinary	100%
Grayling Asia Pte Ltd	55 Market Street #02-02, Singapore 048941	Ordinary	100%
Grayling China Ltd	1901 Chinachem Hollywood Centre, 1 Hollywood Road, Central, Hong Kong	Ordinary	100%
Grayling (Shanghai) Public Relations Consulting Co., Ltd.	Room 801, Floor 8, F659 Building, Nanjing West Road, Jing'an District, Shanghai, People's Republic of China	Ordinary	100%
Dunwoodie Communications Inc	Corporation Service Company 80 State Street, Albany, New York, USA, 12207	Ordinary	100%

The Company directly owns 43% of the issued ordinary share capital of Grayling SA. Grayling SA's registered address is Avenue des Arts, 46, 1000 Brussels, Belgium.

The Company indirectly owns 30% of the issued ordinary share capital of Grayling Nederland B.V.. Grayling Nederland B.V.'s registered address is James Wattstraat 100, 1097 DM Amsterdam, Netherlands.

**5. Debtors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed by group undertakings	<b><u>5,254,981</u></b>	<b><u>5,254,981</u></b>

**6. Creditors: amounts falling due within one year**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Amounts owed to group undertakings	<b><u>16,093,456</u></b>	<b><u>16,093,456</u></b>

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**GRAYLING INTERNATIONAL LIMITED**

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

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**7. Share capital**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Authorised, allotted, called up and fully paid</b>		
1,333,333 (2021 - 1,333,333) Ordinary shares of £1.00 each	<b><u>1,333,333</u></b>	<b><u>1,333,333</u></b>

**8. Profit & loss account**

Includes all current and prior period retained profits and losses.

**9. Contingent liabilities**

The Company has guaranteed certain bank loans and other loan facilities of Inizio Group Limited and subsidiaries (the Group). At 31 December 2022, the total amount of group borrowings and facilities guaranteed amounted to £2,114m (2021: £1,646m).

**10. Events since year end**

On 16th June 2023 the entire issued share capital of the Company, comprising 1,333,333 ordinary shares of £1.00 each was transferred from Huntsworth Investments Limited to Huntsworth Limited, a company incorporated in United Kingdom and also owned indirectly 100% by Inizio Group Ltd.

**11. Controlling party**

At 31 December 2022, the Company was a wholly owned subsidiary of Huntsworth Investments Limited, a company incorporated in the United Kingdom.

The ultimate controlling party of the Company is Clayton, Dubilier & Rice Holdings LLC, a company incorporated in the Cayman Islands.

The Company is included in the consolidated financial statements of its indirect parent company Inizio Group Limited (formerly known as Hunter Holdco 3 Limited). Inizio Group Limited is a company incorporated and domiciled in the United Kingdom. The consolidated financial statements are prepared in accordance with UK adopted international accounting standards. Copies of Inizio Group Limited's financial year 2022 consolidated financial statements, which include the Company, are available from its registered office at 8th Floor, Holborn Gate, 26 Southampton Buildings, London, WC2A 1AN, United Kingdom.

**12. Approval of financial statements**

The Board of Directors approved these financial statements for issue on 29 July 2023.