

**PEEL PORTS UK FINANCECO LIMITED**

**Report and Financial Statements  
For the year ended 31 March 2022**



**REPORT AND FINANCIAL STATEMENTS**

**CONTENTS**

<b>Officers and professional advisers</b>	<b>1</b>
<b>Strategic report</b>	<b>2</b>
<b>Directors' report</b>	<b>15</b>
<b>Directors' responsibilities statement</b>	<b>16</b>
<b>Independent auditor's report</b>	<b>17</b>
<b>Profit and loss account</b>	<b>20</b>
<b>Statement of comprehensive income</b>	<b>20</b>
<b>Balance sheet</b>	<b>21</b>
<b>Statement of changes in equity</b>	<b>22</b>
<b>Notes to the financial statements</b>	<b>23</b>

**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

I McLaren  
C Veritiero  
M Whitworth

**COMPANY SECRETARY**

F A Khan

**REGISTERED OFFICE**

Maritime Centre  
Port of Liverpool  
Liverpool  
L21 1LA

**BANKERS**

National Westminster Bank PLC  
2-8 Church Street  
Liverpool  
L1 3BG

**AUDITOR**

BDO LLP  
Statutory Auditor  
3 Hardman Street  
Spinningfields  
Manchester  
M3 3AT  
United Kingdom

## **STRATEGIC REPORT**

The directors present their strategic report, directors' report and the audited financial statements of the Company for the year ended 31 March 2022.

### **PRINCIPAL ACTIVITIES**

The Company is an intermediate holding company of the Peel Ports Group Limited group of companies. The Company did not trade during the year. The principal operating income associated with the Company is the income from shares in Group undertakings.

### **RESULTS AND DIVIDENDS**

The results for the year and the Company's financial position at the end of the year are shown in the attached financial statements. Net assets were £338.2m at 31 March 2022 (2021: £338.2m). In addition to the profit for the financial year of £73.9m (2021: £38.9m), the net asset position has remained the same because of the payment of interim dividends of £74.0m (2021: £39.0m). No final dividends are proposed (2021: £nil).

Because of the Company's role as an intermediate holding company there are no other measures that are considered to be key performance indicators.

The directors consider both the level of business and the year-end financial position to be satisfactory. The directors expect that the present level of activity will be sustained for the foreseeable future.

### **PRINCIPAL RISKS AND UNCERTAINTIES**

Peel Ports UK Financeco Limited is a subsidiary of Peel Ports Group Limited. Peel Ports Group Limited and its subsidiaries ("the Group") operate as the Statutory Harbour Authority for the Port of Liverpool, the Manchester Ship Canal, the River Medway, parts of the area along and around the River Clyde, Ardrossan Harbour, Twelve Quays at Birkenhead Docks and Heysham Port. In addition, the Group operates Great Yarmouth Port as an agent of Great Yarmouth Port Authority, the Statutory Harbour Authority for that port, on a long-term basis. Container facilities, freight forwarding and cargo handling services are also provided at Dublin Port under concession. References to "the Group" below are in respect of the Peel Ports Group group of companies, which the Company is part of.

#### **COVID-19**

At the time of preparing this annual report, there is cautious optimism that the worst of the COVID-19 pandemic is now behind us and that there will be a period of greater stability and normality. However, should new variants emerge that result in the reinstatement of measures, then the Group has shown itself capable of responding with agility to both risks and opportunities.

The pandemic provided an unhelpful backdrop to trading in the year ended 31 March 2022, particularly the emergence of the more infectious omicron variant, and required continuing focus on measures to safeguard employees while operating as close to normal as possible. The measures taken in the prior year, the less severe nature of the latest variants and the successful roll out of the UK's vaccine programme meant that Group operations were subject to significantly less disruption than in the previous financial year.

#### **Ukraine**

At the time of preparing this report, the war in Ukraine is continuing following the territorial invasion by Russia. Most governments, including that of the UK, have imposed economic sanctions on Russia and this has placed certain obligations on the Group's ports with respect to vessels that seek to enter their areas of jurisdiction. The Group engages with the Department for Transport and other statutory bodies to ensure that the Group complies with the sanctions. This may result in disruption to the handling of certain commodities, though it is not anticipated this will have a material effect on the Group.

## STRATEGIC REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

#### Operational

##### *Health and safety – landside*

The nature of the Group's activities is such that many operational tasks are hazardous, however, it is our view that all hazards can be controlled and all injuries can be prevented. All cargoes passing over the quay need to be handled with care and in accordance with risk assessments and safe systems of work. The Board of Directors is committed to ensuring that the Group complies with all appropriate health and safety requirements and to achieving continuous improvement to the effectiveness of the Group's health and safety management. The safety of its workforce, and anyone who enters the working environment, is an essential part of the Group's overall strategy.

It is Peel Ports' policy that health and safety should be placed to the fore in the conduct of our operations. This was particularly evident in the Group's response to the COVID-19 pandemic.

The Group's operational approach to health and safety matters is overseen by an Environment, Health and Safety Governance Committee, chaired by the Group Chief Executive Officer. From April 2022, this Committee was joined by Unite the Union's National Officer to further enhance the engagement with employee representatives on health and safety priorities.

The investment that the Group has made in recent years was recognised externally in June 2020, when Port Skills and Safety announced their annual benchmarking results for 2020, ranking Peel Ports in first place for the lowest rate of significant injuries as measured by lost-time incidents. Peel Ports also delivered the highest rate of hazard reporting, which evidences the proactive approach our employees take in order to mitigate risks. The Group has continued to rank highly in subsequent benchmarking surveys.

For the year ended 31 March 2022, the Group had targeted a Total Recordable Injury Rate (TRIR) of 0.55. TRIR includes lost time incidents, restricted workday incidents and medical treatment incidents. This target was achieved with a final TRIR of 0.53, which is also an improvement against the 0.65 recorded in the previous financial year. The Group will continue to set challenging targets so as to drive a culture of continuous improvement in this area.

The Group has continued to enhance its focus on health and safety in the year ended 31 March 2022, with further investment in staff development, training and safety equipment. A new three-year Environment, Health and Safety strategy was announced in March 2022. The strategy is based on eight themes, including the further development of mental health initiatives. Also, following a successful programme within Peel Ports' container businesses, STC Inviso have been engaged to deliver SuperVision training for team leaders across the Group. Among many other initiatives, Peel Ports has committed to supporting all union safety representatives with NEBOSH certificate training on a voluntary basis.

With respect to equipment, following the enhancement of the Group's "Work at Height" standards, an improved hard hat, commonly known as the Rock Dynamo Plus with an integrated chin strap, was issued. This provides a significantly higher standard of head protection compared to a standard industrial helmet. In January 2022, the EHS element of the Group's SAP deployment went live, which will provide for more integrated reporting of EHS matters. Further initiatives are planned with the objective of continuing the progress made so far in reducing the incidence of injury and ill-health.

Continued and targeted investment in this area will make a significant contribution to:

- Reducing the risk of injury to employees and others who enter the Group's working environment;
- Protecting the health of employees;
- Building a strong and effective safety culture among employees at every level; and
- Demonstrating full compliance with all statutory requirements in this area.

This investment is intended to maintain Peel Ports' reputation as a 'responsible operator' amongst all stakeholders, including the communities in which the Group operates.

## STRATEGIC REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

#### Operational (continued)

##### *Health and safety – marine*

Marine incidents, which could include vessels colliding or foundering, have the potential to cause injury or loss of life. The Group has in place several safety processes, including risk assessments, vessel traffic services, pilotage and hydrography to mitigate this risk.

Several of the Group's subsidiary port companies are Statutory Harbour Authorities with some also being designated Competent Harbour Authorities. As a Statutory Harbour Authority, they have a duty to conserve the harbour so that it is fit for use as a port and a duty of reasonable care to see that the harbour is in a fit condition for a vessel to utilise it safely.

In addition, as a Competent Harbour Authority, it has a duty to assess what, if any, pilotage services are required to secure the safety of ships, and to provide services as deemed necessary.

A local port marine safety management system, operated within the wider Group Marine Safety Management System, which is derived from formal risk assessments developed from formal hazard observations, is the principal control measure in place to ensure the entire operation is run at as low a risk as is reasonably practicable. A programme of internal marine safety management system audits, supported by external audits and an independent designated person, are utilised to maintain the integrity of the system. Each port maintains a Marine and Coastguard Agency (MCA) endorsed oil spill response plan with distinctive tiered plans, supported by external contractors at notice, depending on the size of the incident. A regular series of exercises to test readiness underpin these responses. A Group Emergency Plan, supported by Local Port Emergency Plans, lays out the organisation of the emergency response.

##### *Capital expenditure projects*

The efficient management of the Group's projected capital expenditure will impact on the ability of the Group to complete projects on time and deliver the expected financial returns. In addition to the Group's own experience of completing capital projects, additional personnel with experience of managing major construction projects are recruited from time to time to mitigate this risk.

##### *Resilience of operational assets*

The nature of ports is such that operations are reliant on the infrastructure of those ports, including quaysides, lock gates, cranes and warehousing. The Group invests significantly in capital maintenance in order to mitigate the risk of major infrastructure failure which could adversely affect the operations of the respective ports.

##### *Cyber security*

As well as the risk to our physical infrastructure, like most businesses, the Group faces risks associated with a cyber security breach. Threats can vary in their complexity and sophistication and can potentially have a negative impact on organisations of all sizes. Although the Group has successfully avoided any significant disruption from threats to date, a steady increase in the number of phishing scams and malicious software creation, mean that the Group will continue to be at risk of cyber-attack that could compromise the Group's IT environment. Over a number of years, the Group has increased its investment in this area to put in place appropriate resilience and recovery measures as well as a comprehensive employee training programme to raise awareness and defend against malicious attacks. This is reinforced by regular tests to ensure that employees remain vigilant. We employ a range of industry-standard security products, both internally and on our network perimeters. Formal security and IT conditions of use policies are established, which define security standards and acceptable use.

The Group has a dedicated Cyber Security and Information Security team who are responsible for identifying and resolving security incidents, and for advising on group policy with regards to information security. Strong relationships are maintained with the National Cyber Security Centre and the Cyber Compliance Team of the Department for Transport, and the Group is represented on the Maritime Information Exchange, which facilitates the sharing of threats and intelligence amongst members of the UK maritime security industry.

## STRATEGIC REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

#### Operational (continued)

##### *Technology and innovation*

The rate of development of technology and innovation continues to be a strategic risk, and opportunity, for many businesses. The construction of the Liverpool2 container-handling terminal at the Port of Liverpool provided an opportunity to future-proof aspects of our port-wide technology. We have also invested in other technology that has improved the effectiveness and resilience of operations, including a group-wide vessel traffic management system and the deployment of a business-wide Enterprise Resource Planning ('ERP') system.

##### *General Data Protection Regulation ('GDPR')*

Non-compliance with GDPR, and before it the Data Protection Act 2018, continues to be a significant regulatory risk facing the Group. The Group has put in place appropriate policies and procedures, comprehensive training and reference materials and issued reminders through signage and intranet/IT screen background messages. Compliance with the GDPR is overseen by the Group's Data Protection Officer.

#### Commercial

##### *Brexit*

The UK left the EU on 1 January 2021. To date, the Group has not encountered any material adverse impacts that might be directly attributable to Brexit. Prior to the date of departure from the EU, the Group had reviewed its operations in readiness for Brexit and obtained Authorised Economic Operator status for each of its principal ports. Available UK Government funding to invest further in port infrastructure, including to facilitate post-Brexit border checks, was awarded to a number of the Group's ports in the year ended 31 March 2021; work is well progressed on those projects with completion expected during the year ending 31 March 2023. However, in April 2022 the UK Government postponed the post-Brexit border checks on goods arriving into the UK from the EU.

##### *Dependency of the Group's ports on economic activity*

The regional ports within the Group each form part of a wider transport infrastructure. The key operational risks and uncertainties relate to the dependency upon the economic activity of the businesses and consumers within the geographic proximity of the ports. These consumers and businesses generate the trade which flows through the ports and when they are subject to economic cycles or, at the extreme, to failure, there is an unavoidable impact on the ports. In addition, the Group may be exposed to declining volumes in certain sectors, downward pricing pressure or the loss of major contracts. This potential risk is particularly the case as the global economy continues to deal with the effects of the COVID-19 pandemic and the war in Ukraine.

The mitigation of this risk comes from the wide and diverse nature of customers, markets and products served by the ports. This has the effect of minimising the impact of a particular cycle or business failure and indeed one trade can hedge against another. In addition, the Group benefits from a high proportion of secure revenue from customers on long-term contracts at its port operations and has no significant concentration of revenue or profits dependent on any one customer. Further, the Group continues to invest in maintaining and developing its facilities and services to meet the needs of its current and future customers.

#### Financial

##### *Liquidity, cash flow and interest risks*

The key financial risk arises from the level of long-term debt held by the Group and the interest arising thereon. The Group's loans and loan note instruments with repayment dates between 1 April 2022 and 30 September 2046 ("long-term debt") amount to £2,284.3m (2021: £2,145.5m). The cash flow risk arising in connection with interest charges is mitigated through the use of interest rate and index-linked swaps.

The directors consider that the combination of the swap instruments, stable trading of the ports business, effective working capital management and the investment in the asset base assists in managing the risks arising from the level of debt and variability in interest rates. The Group's bank loans and swap instruments are spread over a large number of banks. As at 31 March 2022, within the current facility agreements, there were undrawn funds of £175.0m available in addition to cash of £108.1m on the Group's balance sheet. In addition, the Group has in place £130.0m of debt service reserve liquidity facilities to cover annual interest costs. Consideration of this in the context of going concern can be found in note 3.

## STRATEGIC REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

#### Financial (continued)

##### *Credit risk*

Financial risk also arises from credit extended to customers. This risk is mitigated by using strict credit control procedures, the imposition of appropriate credit limits and obtaining third party credit references. The Group's ports play an essential role in maintaining the UK's (and Global) supply chains, including the supply of essential supplies to organisations such as the National Health Service. It is, therefore, important that the Group is able to secure payments due from customers in order to ensure it can operate effectively and pay suppliers on a timely basis. The Group engages proactively with customers to mitigate the risks arising and takes appropriate action when necessary. The Group has no material concentration of credit risk.

Investment activity is reviewed on a regular basis and cash and cash equivalents are placed with approved counterparties, whose credit ratings are in accordance with internal treasury policies.

The Group monitors the credit rate of derivative counterparties on a regular basis and ensures no positions are entered into with counterparties with credit ratings that are below assigned limits.

##### *Capital risk*

The Group keeps its funding structure under review with the objective of maximising shareholder value and the capacity to meet its operational requirements and to facilitate the execution of its strategy. The Group's external loan covenants impose certain restrictions on the Group relating to capital which are regularly monitored by management. The Group's management carefully monitors the headroom against its covenants and a number of potential actions could be taken in the event that these are necessary. These include, among other things, aggressive management of working capital, deferral of uncommitted capex, deferral of recruitment activity and other cost reduction measures. The Group was in compliance with these covenants during 2021 and 2022. As referred to in note 3 to the financial statements, there is significant headroom in the forecast covenants.

##### *Going concern*

As referred to in note 3 to the financial statements, the directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and for this reason they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Environmental

##### *Operations*

The Group is conscious of the impact of its operations on the environment. Necessary attention is given to environmental issues particularly when developing new projects, refurbishing existing properties and considering possible acquisitions. Design consultants are encouraged to promote good environmental performance with consideration given to environmental risk, energy consumption, the use of environmentally friendly materials and the avoidance of materials hazardous to health.

##### *Climate change*

Climate change has become an increasingly important consideration across the world and is an important principal risk to which the Group has to respond. The Climate Change Act 2011 required certain of the Group's ports to complete a risk assessment and submit a climate change adaption report to DEFRA. The Group continues to monitor and consider the risks identified in those reports.

The UK Government has made a legally binding commitment to achieving a Net Zero Carbon economy by 2050. In November 2021, the Group announced its intention to be a Net Zero company by 2040. To achieve these targets, there will need to be significant changes across the economy and, by extension, the ports that serve it and the Group will need to identify and implement initiatives that support these objectives. For example, in the UK as a whole this is likely to result in the long-term reduction in tonnages of oil related cargoes and a move away from diesel and petrol cars to electric and other forms of low carbon transport. Existing vessels' propulsion systems will need to transition to lower carbon options, an event mitigated within the Group's shipping division in recent years by the entering into of long-term charters for the hire of modern-built and more environmentally friendly vessels. The Group will need to adopt new technologies and deal with currently unforeseen legislative changes, as well as facilitate the green transition through ports in areas such as offshore wind.

## STRATEGIC REPORT (CONTINUED)

### PRINCIPAL RISKS AND UNCERTAINTIES (CONTINUED)

#### Environmental (continued)

##### *Climate change (continued)*

The Group's rolling three year plan includes initiatives that will help support the response to risks associated with climate change, including the use of technology and energy efficiency solutions. A member of the Executive Management Board holds the responsibility for environmental matters and leading the Group's green initiatives, which is fully supported by the rest of the Board.

The Net Zero commitment is supported by a Climate Change Steering Group that brings together leaders from across the business to oversee the Group's efforts to prevent or minimise greenhouse gas emissions. Their area of focus includes:

- Educating the business on the facts surrounding climate change;
- Adapting our operations to reduce our carbon footprint;
- Embracing new, low carbon technologies;
- Promoting energy efficiency;
- Seeking opportunities from renewable energy;
- Exploring shoreside power provision for vessels;
- Transitioning from diesel to electric vehicles;
- Using alternative and low-carbon fuels for plant and equipment;
- Considering the embodied carbon of new infrastructure;
- Sustainable procurement and engagement with our supply chain; and
- Quantifying and enhancing carbon sequestration opportunities.

Among the initiatives already taken, the Group is close to having replaced half of its vehicle fleet with electric vehicles, with the remainder anticipated during the year ending 31 March 2023. In addition, the Group is undertaking trials of greener fuels and electric alternatives for operational plant and machinery and investing in sustainable infrastructure, including energy efficient cranes and intelligent lighting, and driving sustainability through our supply chain. The Group expects to continue working on initiatives that will reduce its carbon footprint during the year ending 31 March 2023.

### SECTION 172 STATEMENT

The Company is a wholly owned subsidiary of Peel Ports Group Limited, in whose accounts for the year ended 31 March 2022 the statement is presented.

The directors of the Company are also directors of Peel Ports Group Limited.

The directors of the Company consider that the directors of Peel Ports Group Limited have due regard to the long-term interests of the Company when making decisions and that the engagement with, and consideration of the interests of, the Group's stakeholders, also reflects the position of the Company.

### SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES

Section 172 ('S172') of the Companies Act 2006 requires a director of a company to act in the way he or she considers, in good faith, would most likely promote the success of the company for the benefit of its members as a whole. In doing this, with respect to Peel Ports Group Limited, S172 requires a director to have regard, among other matters, to the:

- likely consequences of any decisions in the long term;
- interests of the Group's employees;
- need to foster the Group's business relationships with suppliers, customers and other stakeholders;
- impact of the Group's operations on the community and environment;
- desirability of the Group maintaining a reputation for high standards of business conduct; and
- need to act fairly as between members of the Group.

In discharging its S172 duties, the Board of Directors ("the Board") has had regard to the factors set out above, although at times some factors may have been given greater weighting than others.

## STRATEGIC REPORT (CONTINUED)

### SECTION 172 STATEMENT (CONTINUED)

#### SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES (CONTINUED)

Appropriate regard was also given to other factors considered relevant to the decision being made, for example our relationship with regulators, industry bodies and other business relationships. We acknowledge that every decision the Board has made will not necessarily result in a positive outcome for all of our stakeholders and the Board frequently has to make difficult decisions based on competing priorities. However, by giving consideration to key stakeholder groups and aligning our activities with our strategic plan, as well as the Group's culture and values, we aim to balance those different perspectives in the best interests of the Group over the long term.

We identify our key stakeholders as employees, defined benefit pension schemes, customers, suppliers, communities, the environment, government, local authorities and regulators, financial investors and shareholders.

As the Board of Directors includes representatives of the Group's three shareholders, Peel Group, Lemon 2021 Ltd (a joint venture between APG Infrastructure and Global Infrastructure Partners) and Australian Super, they are more directly able to engage on matters relevant to them. In so doing, the Board is also cognisant of the importance of considering the needs of other stakeholders when making decisions.

The Board will sometimes engage directly with stakeholders on certain issues, but the size and distribution of our stakeholders, and of the Group, means that stakeholder engagement often takes place at an operational level. To support directors and assist them in complying with their duties, management provides feedback on their engagement with relevant stakeholders when matters are put forward for Board consideration.

The Executive Management Board is chaired by the Group Chief Executive Officer and attended by the Group Chief Financial Officer, both of whom are also directors and attend meetings of the Board. The Executive Management Board also comprises senior group management, including the Group Director overseeing Health and Safety and Environmental Matters, as well as the senior management responsible for each of the Ports and Shipping segments. Within the Ports segment, each port cluster group has its own management teams with delegated levels of authority. Engagement with stakeholders may take place at a port cluster level, business segment level or at senior group management level, depending on the nature of the stakeholder relationship and delegated levels of responsibility. This approach is intended to ensure alignment of engagement and decision-making with the long-term strategic objectives of the Group and greater responsiveness to the needs of stakeholders. Through the participation of the Chief Executive Officer and Chief Financial Officer at Shareholder Board and Executive Management Board level, together with reports and attendance at meetings by other members of senior management, the Board is able to exercise oversight and challenge as appropriate.

The Board considers information from across the organisation to help it understand the impact of the Group's operations, and the interests and views of our key stakeholders. It also reviews strategy, financial and operational performance, as well as information covering areas such as key risks, and legal and regulatory compliance.

The Board are aware that they set the tone for the overall control environment across the whole Group and, therefore, they review and, where appropriate, approve key policies such as anti-bribery and corruption, the policy on modern slavery, the Group's code of conduct and the supplier code of conduct. These policies are designed to ensure that the Group maintains the highest standards of conduct in its business dealings with stakeholders and internally within the Group. The Group's policies are disseminated to all employees when they join the Group and to existing employees through regular communication and training where appropriate. They are also available on the Group's intranet and, where appropriate, on the Group's external website.

**STRATEGIC REPORT (CONTINUED)****SECTION 172 STATEMENT (CONTINUED)****SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES (CONTINUED)****Principal decisions taken by the Board**

We consider the principal decisions to be those decisions taken by the Board directly, which should not be delegated to either the management or a committee of the Board, and which may have a potentially material impact on the Group's strategy, a stakeholder group or the long-term value creation of the Group. We have grouped the Board's principal decisions into the following categories:

- Financial results (the full and half year results);
- Capital allocation (the approval of the annual budget, the recommendation of the full-year dividend and declaration of an interim dividend);
- Material funding and treasury matters;
- Tax strategy;
- M&A activity;
- Review of matters reserved for the Board;
- Board member changes;
- Material supplier contracts;
- Strategy review (the review of the Group's five year business plan); and
- Group statements (the approval of the Group's modern slavery statement and gender pay report).

Principal decisions taken by the Board during the year ended 31 March 2022, and how they have had regard to the interests of stakeholders, include:

*Response to COVID-19*

The Group has taken measures to respond to the global COVID-19 pandemic. Many of these required decisions to be taken by the Board, some of which were difficult and required trade-offs between competing stakeholder expectations. These were often taken in fast changing circumstances against a backdrop of unprecedented national and global uncertainty. With the benefit of hindsight, as with the response of governments around the world and those of many other companies, other decisions may have been taken or decisions may have been taken at different times. However, the Group's management, and its Board, focused on a number of guiding principles when making those decisions. These included the continuing priority focus on the health and safety of our employees and all of those individuals who work within its facilities and the knowledge that, as an essential part of the UK and Ireland's national supply chains, it was essential that the business continued to operate as close to normal as possible. Through the considerable efforts of the Group's employees and its suppliers, the vital role that Peel Ports plays in keeping commodities moving has continued throughout the pandemic.

*Climate Change*

The Group announced in November 2021 its objective of becoming a Net Zero company by 2040. Recognising the important role that all companies play in helping Governments to meet national and international climate change commitments, the Board committed the Group to this challenging objective.

*Approval of a rolling three year business plan*

The Board has approved a new rolling three year business plan, covering the period from 1 April 2022 to 31 March 2025. In addition to setting challenging growth targets, the business plan also incorporates initiatives designed to support other business priorities, including the objective of becoming a Net Zero company by 2040.

*Investment in port infrastructure to support customers*

As an infrastructure business, the Group considers very carefully the likely consequences of any major decision it makes in the long-term, with the overall objective of generating and preserving value. The Board reviews and, where appropriate, approves capital projects that exceed a certain monetary threshold in a comprehensive manner, considering the rationale for investment in the context of the long-term cash flows anticipated to be generated by the project, the likely impact upon the Group's relationships with its customers and employees, and the risk profiles of the relevant market, customers and suppliers. The impact that the investment would have on the Group's existing infrastructure assets is also a key consideration.

## STRATEGIC REPORT (CONTINUED)

### SECTION 172 STATEMENT (CONTINUED)

#### SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES (CONTINUED)

##### Principal decisions taken by the Board (continued)

###### *Investment in port infrastructure to support customers (continued)*

The Group invested a total of £122.8m (2021: £124.9m) in net capital expenditure in the year ended 31 March 2022.

During the year ended 31 March 2022, the Board approved a number of proposals to invest in port assets that directly and indirectly support customers who use those ports. This has included the construction of new warehouses and replacement of lock gates at the Port of Liverpool and the development of part of KGV Dock at Clydeport as a scrap handling facility to support a customer's expansion of its operations. Although subject to board approval in a prior period, the Group has continued to invest in the Liverpool2 container terminal and the roll out of an ERP system during the year ended 31 March 2022.

When considering such proposals, the Board receives detailed papers that includes the proposal's business case and key financial information, a statement as to the effect that the proposal will have on energy usage, customer expectations and business risks and opportunities. Where a proposal involves significant capital expenditure to support a particular customer, the Board will consider whether it is supported by a long-term commitment from the customer that is aligned with the Group's long-term revenue and growth objectives.

##### Stakeholders

Details of the Group's key stakeholders and how we engage with them, and have regard to, are set out below.

###### *Employees*

Our employees are key to our success and we want them to be safe, well trained and successful, individually and as a team. We engage with our employees in a number of ways, including face-to-face briefings, newsletters, an intranet, social media and through engagement with unions. If an employee is not comfortable raising an issue with the Group directly, they can engage indirectly (and anonymously) via an Ethics Hotline, details of which are set out in the Group's Code of Conduct. The Group undertakes regular environment, health and safety "climate surveys" amongst its employees. This feedback from our employees allows the Group to continuously improve and develop, particularly in relation to its health and safety processes and practices. In addition, during the year ended 31 March 2022, the Unite National Officer joined the Group's Environment, Health and Safety Governance Committee in order to further enhance engagement with employees on health and safety priorities.

Key areas of focus include health and well-being, development opportunities, job security, pay and benefits. Pages 7 and 8 set out steps that the Group have taken with respect to ensuring the health and well-being of our employees.

Examples of ways in which the Group has responded to the expectations of employees include our response to COVID-19, with the emphasis on safe working practices, having continuous improvement of health and safety practices at the core of everything we do, publication of gender pay reports and development opportunities such as apprenticeship programmes.

###### *Employees*

Although the majority of those who provide labour services to the Group are employees, there are many individuals who are engaged through third party labour providers. Such workers are often under our supervision and will be party to many of the same stakeholder engagement considerations as direct employees, including through their inclusion in Health and Safety statistics.

###### *Defined benefit pension schemes*

The Group is party to a number of defined benefit pension schemes, including industry-wide schemes such as the Pilots National Pension Fund. We take seriously our commitments to these pension schemes, which serve to provide benefits for current and former employees of the Group. We engage with these pension schemes on a regular basis through trustee meetings and involvement in industry-wide groups such as the Association of Participating Bodies of the Pilots National Pension Fund. Key areas of focus include the funding of the pension schemes and the covenant strength of the companies that provide this funding. As set out above, during the year ended 31 March 2022, the Group agreed a new funding commitment to the Peel Ports Group Final Salary Pension Scheme as part of its triennial actuarial valuation.

## STRATEGIC REPORT (CONTINUED)

### SECTION 172 STATEMENT (CONTINUED)

#### SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES (CONTINUED)

##### Stakeholders (continued)

###### *Defined benefit pension schemes (continued)*

The Group continues to fulfil its funding commitments and, through focusing on the growth and financial strength of the business, continues to maintain and build its covenant strength.

###### *Customers*

We aim to deliver a high level of service to our customers. We build strong lasting relationships and spend time with them to understand their needs and listen to how we can improve our offer and service to them. We use this knowledge to inform our decision-making, for example to tailor our proposition to suit customer demands.

The Group has responded to the expectations and requirements of its customers through investment in major capital expenditure projects, such as the Liverpool2 container terminal and in respect of preparing the Group's ports for the UK's departure from the European Union.

###### *Suppliers*

The Group's procurement function is engaged with building strong relationships with our suppliers to develop mutually beneficial and lasting partnerships. Engagement with suppliers is primarily through a series of interactions and formal reviews. Key areas of focus include building long-term partnerships, fair terms and conditions and health and safety. The Board recognises that relationships with key suppliers are important to the Group's long-term success.

Twice yearly in-scope group companies report on payment practices and terms, with payments within agreed terms an important objective for the group. The Group also works with suppliers on ensuring compliance with the Modern Slavery Act, the Group's statement on which can be found on its website.

More recently, the Group has introduced a Supplier Code of Conduct that suppliers are asked to sign up to. This covers areas such as compliance with laws and regulations, health and safety and working conditions, environmental matters, child labour, forced labour, freedom of association, discrimination, wages and benefits, working hours, bribery, confidentiality, data protection, conflicts of interest and local communities.

###### *Communities*

We engage with the communities in which we operate to build trust and understand the local issues that are important to them. Key areas of focus include how we can support and resolve any concerns that local communities may have with regard to the operation of our ports, create opportunities to recruit local people and help to look after the environment.

Our ports employ a significant number of people from the communities in which they are based. We engage constructively with local community groups and individuals where they may have concerns regarding our operations, so we can be a good neighbour to those who live near our ports. By their nature, ports are busy places with the transit of goods and services in and out. As a responsible operator, it is important that we manage these interactions in a way that minimises the external impacts to our local communities. This is a continual process as we refine and review our working practices and look to keep improving. Unfortunately, in some instances, our activities give rise to concerns and complaints from our local communities. We will always investigate these complaints and look for opportunities to reduce these external impacts. Often a complaint is found to be caused by something that has changed and, in some instances, that change is short-term, such as changes in the dominant wind direction or a particular visitor to a site. In other instances, we may be able to change or adapt our operations to reduce an impact, whilst keeping operations ongoing. For our larger ports, we have engaged in the port Master Planning process and produced port plans. These plans are consulted on with the local stakeholders and help to coordinate medium-term planning. These documents clearly set out our strategic plans for our sites and help to inform port users, employees and local communities as to how they can expect to see the port develop over the following years.

We also support local charities and community projects.

## STRATEGIC REPORT (CONTINUED)

### SECTION 172 STATEMENT (CONTINUED)

#### SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES (CONTINUED)

##### Stakeholders (continued)

###### *Environment*

The environment has been considered to be strongly related to communities and they are often considered together, although we are ever more conscious that the environment also impacts our customers and suppliers and is of increasing importance to our employees as well. The Group is committed to developing its business to meet the needs of its customers in a sustainable way, with initiatives such as reducing our carbon footprint through better energy management and recycling schemes. The annual Group Environment Plan sets out a number of initiatives to manage the effect that the business has on the environment, including the development of port air quality strategies, sustainable procurement policies and resource management policies as well as initiatives around waste management, storage of fuels and chemicals, drainage, conservation of nature, wildlife and habitats, and the beneficial use of dredge material. In addition, during the year ended 31 March 2022, the Group committed to becoming a Net Zero company by 2040.

One of our biggest opportunities to reduce our environmental impact is to look at our procurement and capital investment programmes. What we buy has a direct relationship on what we consume and ultimately generate as waste. By influencing our purchasing decisions, we can potentially change our buying habits and reduce our environmental impact. Looking at the whole-life costs of a purchase we can look past the upfront purchase price and consider both the running and disposal costs of the purchase. We may also look to favour or rule out certain purchases due to their environmental credentials. This will apply to all purchases and contracts we engage in (including leasing).

Our capital investment programme is where we are investing for the long-term in our sites. The decisions we make during the capital investment process impacts our operations for years to come. It is therefore important that we take the opportunity to design in efficiencies (best available technologies, controls etc.) from the start of a project. By reviewing and adapting our current processes we can ensure that we look at and have the opportunity to design in both sustainable development principles and consideration of the environmental impacts of our operations.

The Group also engages with key environmental stakeholders such as the Environmental Agency, the Department for Environment, Food and Rural Affairs and the Marine Management Organisation. Engaging with these stakeholders is important to ensure that planning and licenses are granted and that we are able to meet legislative requirements.

###### *Government, local authorities and regulators*

We engage with the government, local authorities and regulators through a range of industry consultations and meetings to communicate our views to policy makers relevant to our business. When planning development projects, we work closely with local authorities to ensure that an appropriate solution is delivered for our customers within planning requirements. Key areas of focus are compliance with laws and regulations and health and safety. Of particular note in the year ended 31 March 2022 has been our continuing engagement with the Department for Transport and other bodies in support of the UK's border security following the UK's exit from the European Union on 1 January 2021. The Board is updated on legal and regulatory developments and takes these into account when considering future actions

###### *Financial investors*

Through the group's wholly-owned subsidiary companies, Peel Ports PP Finance Limited and Peel Ports Limited, the Group raises debt and undertakes related hedging with a wide range of counterparties. This includes private placement borrowing, which is undertaken by Peel Ports PP Finance Limited, and bank borrowing, which is undertaken by Peel Ports Limited.

We rely on the support of our financial investors and we aim to maintain a timely, open and constructive dialogue with them. In addition to twice yearly presentations on the financial performance of the Group and key developments, we engage with our financial investors on an ad hoc basis through a Financial Investor relationship programme. Key areas of focus are the use to which we put financial investment, financing and refinancing opportunities, the Group's ability to pay interest payments/debt repayments when they fall due and covenant compliance.

**STRATEGIC REPORT (CONTINUED)**

**SECTION 172 STATEMENT (CONTINUED)**

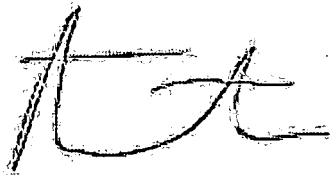
**SECTION 172 STATEMENT FOR THE PEEL PORTS GROUP LIMITED GROUP OF COMPANIES (CONTINUED)**

**Stakeholders (continued)**

*Shareholders*

As owners of our Group we rely on the support of shareholders and their opinions are important to us. Our shareholders appoint representatives to sit on the Board. Where matters to be discussed are in respect of shareholder reserved matters, those relating to the conduct of the shareholders' agreement, these are discussed at meetings of the Board of Directors of the Group's immediate parent undertaking, Peel Ports Holdings (CI) Limited, in respect of which the shareholders are each represented among the directors and in which company each invests directly. The Group Chief Executive Officer and Group Chief Financial Officer, both of whom are directors of Peel Ports Group Limited, attend meetings of the Peel Ports Holdings (CI) Limited Board, but they are not directors of that company. Discussions with shareholders cover a wide range of topics including environment, health and safety ('EHS'), financial performance, strategy, outlook and governance.

**On behalf of the Board**

A handwritten signature in black ink, appearing to be 'M Whitworth', written over a horizontal line.

**M Whitworth**  
Director  
5 August 2022

## DIRECTORS' REPORT

This report contains the statutory information disclosed in addition to that set out in the separate Strategic Report. Information relating to the future development of the business and financial risk management, which would otherwise be included in the Directors' Report, is included in the Strategic Report.

### DIRECTORS

The directors of the Company who served during the year and thereafter, are listed on page 1. I G L Charnock resigned and C Veritiero was appointed as a director on 1 April 2022. I McLaren was appointed as a director on 30 May 2022.

The Company maintains directors' and officers' liability insurance which provides insurance cover for the directors and officers of the Company and its subsidiaries against liabilities which they may incur personally as a consequence of claims made against them alleging breach of duty or other wrongful act or omission in their capacity as directors or officers.

### RECOMMENDED DIVIDENDS

No final dividend is proposed (2021: £nil).

### EMPLOYEE ENGAGEMENT

The Company has no employees other than the directors and, therefore, has nothing to report in respect of employee engagement activity during the year.

### AUDITOR AND THE DISCLOSURE OF INFORMATION TO THE AUDITOR

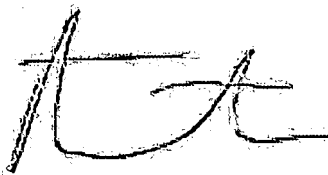
Each person who is a director of the Company at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

BDO LLP have indicated their willingness to be appointed for another term and appropriate arrangements have been put in place for them to be deemed appointed as auditor in the absence of an Annual General Meeting.

On behalf of the Board



M Whitworth  
Director  
5 August 2022

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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; 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 keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

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

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEEL PORTS UK FINANCECO LIMITED**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**

### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Peel Ports UK Financeco Limited ("the Company") for the year ended 31 March 2022 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's 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 remain independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### **Conclusions relating to going concern**

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.

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.

Our responsibilities and the responsibilities of the Directors with respect to going concern are described in the relevant sections of this report.

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEEL PORTS UK FINANCECO LIMITED**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

### **Other Companies Act 2006 reporting**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report the Directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

### **Responsibilities of Directors**

As explained more fully in the Directors' Responsibilities Statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors 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.

### **Auditor's 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 auditor's 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.

#### *Extent to which the audit was capable of detecting irregularities, including fraud*

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:

Based on our understanding and accumulated knowledge of the Company and the sector in which it operates we considered the risk of acts by the Company which were contrary to applicable laws and regulations, including fraud and whether such actions or non-compliance might have a material effect on the financial statements. There included but were not limited to those that relate to the form and content of the financial statements, such as the Company accounting policies, United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice) and the UK Companies Act 2006; the taxation legislation; those that relate to the payment of employees; and industry related such as compliance with health and safety legislation. All team members were briefed to ensure they were aware of any relevant regulations in relation to their work.

# **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF PEEL PORTS UK FINANCECO LIMITED**

## **REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)**

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements and determined that the principal risks were related to posting inappropriate journal entries and management bias in accounting estimates. Our audit procedures included, but were not limited to:

- Agreement of the financial statement disclosures to underlying supporting documentation;
- Identifying and testing journal entries, in particular review of journals posted to the least used accounts, journals posted by specific user, journals posted on the weekends, and journals including specific keywords;
- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud; and
- Review of minutes of Board meetings throughout the period.

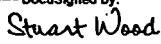
Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:  
  
D8CD362D513C4D9...

Stuart Wood (Senior Statutory Auditor)  
For and on behalf of BDO LLP, Statutory Auditor  
Manchester, UK

5 August 2022

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

# PEEL PORTS UK FINANCECO LIMITED

## PROFIT AND LOSS ACCOUNT For the year ended 31 March 2022

	Note	2022 £m	2021 £m
Income from shares in group undertakings	7	85.0	50.0
<b>OPERATING PROFIT</b>	8	85.0	50.0
Interest receivable and similar income	9	3.6	3.5
Interest payable and similar charges	10	(14.7)	(14.6)
<b>PROFIT BEFORE TAXATION</b>		73.9	38.9
Taxation	11	-	-
<b>PROFIT FOR THE FINANCIAL YEAR</b>		73.9	38.9

The above results are derived from continuing operations.

## STATEMENT OF COMPREHENSIVE INCOME For the year ended 31 March 2022

The Company has no recognised gains and losses other than those included in the results above.

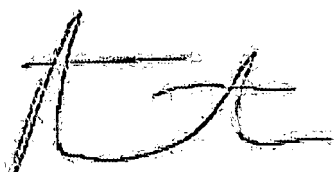
	2022 £m	2021 £m
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>	73.9	38.9

# PEEL PORTS UK FINANCECO LIMITED

## BALANCE SHEET As at 31 March 2022

	Note	2022 £m	As restated 2021 £m
<b>FIXED ASSETS</b>			
Investments	12	612.5	612.5
<b>CURRENT ASSETS</b>			
Debtors – due in less than one year	13	413.1	328.1
<b>CREDITORS: amounts falling due within one year</b>	14	(335.3)	(250.3)
<b>NET CURRENT ASSETS</b>		77.8	77.8
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		690.3	690.3
<b>CREDITORS: amounts falling due after more than one year</b>	15	(352.1)	(352.1)
<b>NET ASSETS</b>		338.2	338.2
<b>CAPITAL AND RESERVES</b>			
Called up share capital	16	337.5	337.5
Profit and loss account		0.7	0.7
<b>TOTAL SHAREHOLDER'S FUNDS</b>		338.2	338.2

These financial statements of Peel Ports UK Financeco Limited (company registration number 5907031) were approved and authorised for issue by the Board of Directors on 5 August 2022 and were signed on its behalf by:



**M Whitworth**  
Director

**PEEL PORTS UK FINANCECO LIMITED**

**STATEMENT OF CHANGES IN EQUITY**  
**For the year ended 31 March 2022**

	<b>Note</b>	<b>Called-up share capital £m</b>	<b>Profit and loss account £m</b>	<b>Total £m</b>
<b>As at 1 April 2020</b>		337.5	0.8	338.3
Profit and total comprehensive income for the financial year		-	38.9	38.9
Dividends	16	-	(39.0)	(39.0)
<b>As at 31 March 2021</b>		337.5	0.7	338.2
Profit and total comprehensive income for the financial year		-	73.9	73.9
Dividends	16	-	(74.0)	(74.0)
<b>As at 31 March 2021</b>		<u>337.5</u>	<u>0.7</u>	<u>338.2</u>

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 1. GENERAL INFORMATION

The Company is a private limited company limited by shares and is incorporated in England. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the strategic report on page 2.

### 2. STATEMENT OF COMPLIANCE

The financial statements of Peel Ports UK Financeco Limited have been prepared in accordance with United Kingdom Accounting Standards, including Financial Reporting Standard FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland" ("FRS 102") as issued by the Financial Reporting Council, and the Companies Act 2006.

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the principal accounting policies, which have been applied consistently throughout the current and prior financial years, is set out below.

#### Basis of preparation

The financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value.

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

#### Going concern

The directors have obtained confirmation from the directors of Peel Ports Group Limited that the Group will provide such financial support as is necessary to ensure that the Company will be able to meet its third-party liabilities as they fall due during the twelve months following the date of the signing of the 2022 financial statements. In considering the appropriateness of the going concern basis of preparation, the directors have considered consolidated forecasts for Peel Ports Group Limited, which include the Company, for the next twelve months from the date of signing the 2022 financial statements. These include detailed cash flow forecasts and working capital availability. These forecasts show that sufficient resources remain available to the business for the next twelve months after taking account of reasonably possible changes in trading performance. The Company is party to the cross-guarantee of the debt facility of Peel Ports Group Limited group ("the Group").

In considering the assumptions and conclusions of Group's management in making their assessment of going concern on a Group basis, the directors are cognisant of the following going concern disclosure, which appears in the financial statements of Peel Ports Group Limited for the year ended 31 March 2022:

- "the directors prepare and update detailed annual budgets and two year projections that support the going concern assessment. For the period extending at least 12 months from the date of signing of these accounts, the Group has modelled different scenarios in the absence of further mitigating actions that show that the Group has sufficient headroom to withstand significant downward pressure on results from reduced volumes or customer opportunities not being converted, both in terms of available liquidity and the Group's covenant ratios. If the actual results are significantly worse than forecast, the group has the option of pursuing further mitigating measures that are under its own control to cut costs and preserve cash. These include reductions in variable staff and other variable costs to match reduced activity, a decreased level of capital expenditure or the deferment/cancellation of shareholder distributions;
- at the balance sheet date, the Group has net liabilities of £1,867.6m (2021: £1,885.8m) which are principally attributed to two factors. Firstly, the reorganisation of the Group in 2006 which was accounted for under merger accounting principles and resulted in the creation of a merger relief reserve of £506.1m. Secondly, the fair value of the Group's derivative financial instruments, primarily interest rate and index-linked cross currency swaps, which have a net liability of £931.3m (2021: £998.1m);

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Going concern (continued)

- presented as falling due within one year in the financial statements is £268.4m of US private placement notes that are due for repayment in December 2022. Reflecting the benefit of the derivative financial instrument that fixes the value of the US Dollar debt into Sterling, the actual repayment amount in Sterling in December 2022 will be £220.0m. The Group completed the raising of a £350m private placement facility in March 2022 that will be drawn down in June and December 2022. The December 2022 drawdown will be used to repay the debt that falls due for repayment in that month;
- in addition to the above repayment, there is £10.0m of other bank loans that are due for repayment in the year ending 31 March 2023 and a further £2.3m due for repayment in the six months ending 30 September 2023; all other loans and loan note instruments have repayment dates between 1 October 2023 and 30 September 2046;
- in the year ended 31 March 2022, turnover from continuing operations increased by £136.1m to £640.9m, group operating profit before exceptional costs increased by £56.5m to £206.2m despite the disruption to supply chains caused by the COVID-19 global pandemic and the war in the Ukraine. This reflected a strong focus on cost management and the continuing benefit of having a diversified service offering and robust customer base;
- cash inflows generated in the year, together with utilisation of existing capital expenditure facilities, enabled the Group to finance net tangible fixed asset additions of £122.8m (2021: £124.9m) (cash outflow);
- as at the balance sheet date, the Group held £108.1m (2021: £87.8m) of cash balances and had undrawn loan facilities of £175.0m available; a further £130.0m of liquidity facility is available for the payment of interest. During the year ended 31 March 2022, the Group raised £135.0m from new loans and private placement notes with maturities ranging from 12 to 15 years. As noted above, the Group also raised an additional £350m of private placement notes that will be drawn in June and December 2022;
- there is confidence that the Group has the resources and flexibility to respond timely to events as they occur; the Group's robust business model is underpinned by long-term customers with a high percentage of secure, and typically RPI-linked, revenue and management has demonstrated its ability to take appropriate steps to mitigate as far as possible the downside scenarios presented by the disruption to global supply chains caused by the COVID-19 pandemic and the war in the Ukraine;
- management have concluded that the Group should generate sufficient EBITDA and cash to continue as a going concern and avoid breaching its loan covenants. Liquidity risk is principally managed by maintaining cash and borrowing facilities at a level that is forecast to provide reasonable headroom in excess of the expected future needs of the Group."

After making enquiries, the directors have formed a judgement, at the time of approving the financial statements, that there is a reasonable expectation that the Group and the Company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

#### Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions. The Company has taken advantage of the available exemptions to not disclose:

- A reconciliation of the number of shares outstanding at the beginning and end of the year;
- A statement of cash flows;
- Certain financial instrument disclosures on the basis that equivalent disclosures are included in the consolidated financial statements of the group in which the Company is consolidated; and
- Key management personnel compensation in total.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### Revenue recognition

Interest income is recognised using the effective interest rate method.

Dividend income is recognised when the right to receive payment is established.

#### Borrowing costs

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

#### Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exception:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

#### Fixed asset investments

Fixed asset investments are stated at cost to the Company less any provision for impairment. Cost represents the aggregate cash consideration, costs incurred and either the fair value or nominal value of shares issued.

#### Financial instruments

The Company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

##### (i) *Financial assets*

Basic financial assets are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

#### (i) Financial liabilities

Basic financial liabilities are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### Share capital

Ordinary shares are classified as equity.

#### Distributions to equity holders

Dividends and other distributions to the Company's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

#### Related party transactions

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned.

### 4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. These are based on management's best knowledge of the amount, event or actions, taking into account historical experience and other factors that are considered to be relevant. The resulting accounting estimates will, by definition, seldom equal the related actual results.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

As has been noted elsewhere in this annual report, continuous effects of the COVID-19 global pandemic and the war in Ukraine have caused unprecedented disruption to economies around the world and this has created significant uncertainty for all companies. Consideration has been given as to how this might impact the critical accounting judgements and estimates of the Company, with no material areas having been identified.

#### (i) Critical judgements in applying the Company's accounting policies

The directors do not consider there to be any critical accounting judgements that must be applied.

#### (ii) Key sources of estimation uncertainty

The directors do not consider there to be any estimates or assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

### 5. DIRECTORS' EMOLUMENTS

No directors received any emoluments in respect of their services to the Company (2021: £nil). Directors who are remunerated by other undertakings in the Peel Ports Group Limited group of companies are not disclosed in these financial statements. Those directors have to account in turn to those undertakings. Additionally, the emoluments of directors who are remunerated for services to the Group as a whole are not disclosed in these financial statements. It is not practicable to allocate their remuneration between their services to the Company, to the other companies in the group or to their Group role.

### 5. EMPLOYEE INFORMATION

The Company had no employees during the year or during the previous year.

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

## 6. INCOME FROM SHARES IN GROUP UNDERTAKINGS

	2022 £m	2021 £m
Dividends received from subsidiary undertakings	85.0	50.0

## 7. OPERATING PROFIT

The auditor's remuneration for audit work of £1,000 (2021: £1,000) was borne by a fellow Group undertaking. Fees paid to the Company's auditor, BDO LLP, for services other than the statutory audit are not disclosed in the financial statements of the Company as the financial statements of the Company's parent, Peel Ports Group Limited, are required to disclose non-audit fees on a consolidated basis.

## 8. INTEREST RECEIVABLE AND SIMILAR INCOME

	2022 £m	2021 £m
Loans from group undertakings	3.6	3.5

## 9. INTEREST PAYABLE AND SIMILAR CHARGES

	2022 £m	2021 £m
Loans to group undertakings	14.7	14.6

## 10. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2022 £m	2021 £m
<b>Current and total tax:</b>		
UK corporation tax	-	-

### Reconciliation of total tax:

The tax charge is lower (2021: lower) than that arising from applying the standard rate of UK corporation tax of 19% (2021: 19%). The differences are explained below:

	2022 £m	2021 £m
Profit before taxation	73.9	38.9
Profit before taxation multiplied by the standard rate of UK corporation tax of 19% (2021: 19%)	14.0	7.4
Non-taxable dividend income	(14.0)	(7.4)
<b>Total tax</b>	-	-

## NOTES TO THE FINANCIAL STATEMENTS

### For the year ended 31 March 2022

#### 11. INVESTMENTS

	Interests in subsidiary undertakings £m
<b>Cost and net book amount</b>	
As at 1 April 2021 and 31 March 2022	612.5

#### Directly held subsidiary undertakings

Details of the Company's subsidiary undertaking, which is wholly owned, is provided below. Number references in parentheses relate to the registered address of each company, which are set out at the end of this note.

Name of undertaking	Principal activity
Peel Holdings (Ports) Limited (1)	Intermediate Holding Company

The Company has taken advantage of the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 as it is a wholly owned subsidiary of Peel Ports Group Limited, which prepares consolidated financial statements that are publicly available.

#### Indirectly held subsidiary undertakings

##### Principal subsidiary undertakings

The principal subsidiary undertakings as at 31 March 2022 were as follows. Number references in parentheses relate to the registered address of each company, which are set out at the end of this note.

Subsidiary	Principal activity
Birkenhead Port Limited (1)	Regional Port Operator
B.G. Freight Line B.V. (2)	Shipping
Clydeport Operations Limited (3)	Regional Port Operator
Great Yarmouth Port Company Limited (1)	Regional Port Operator
Heysham Port Limited (1)	Regional Port Operator
Ligna Biomass Limited (1)	Biomass Facility Operator
Marine Terminals Limited (4)	Stevedoring
Peel Ports Limited (1)	Treasury Company
Peel Ports Logistics Limited (1)	General Cargo Services Provider
Peel Ports PP Finance Limited (5)	Treasury Company
Port of Sheerness Limited (1)	Regional Port Operator
The Manchester Ship Canal Company Limited (1)	Regional Port Operator
The Mersey Docks and Harbour Company Limited (1)	Regional Port Operator
The Mersey Docks and Harbour Company (RSCT) Limited (1)	Container Terminal Operator

##### Other subsidiary undertakings

The Group's other subsidiary undertakings at 31 March 2022 were as follows, categorised by principal activity. Number references in parentheses relate to the registered address of each company, which are set out at the end of this note.

##### Trading companies

Subsidiary	Principal activity
Ardrossan Harbour Company Limited (3)	Regional Port Operator
B.G. Freight Line Germany GmbH (7)	Freight Forwarding
B.G. Freight Line Limited (6)	Shipping
Coastal Container Line Limited (6)	Shipping
Dublin Container and Transport Services Limited (4)	Container Services
Peel Ports (IDS) Limited (1)	Investment Holding
Seaforth Power Limited (1)	Electricity Supply to the Port of Liverpool

# NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

## 11. INVESTMENTS (CONTINUED)

### *Intermediate holding companies*

Each of the following companies act as intermediate holding companies within the sub-group of companies:

B.G. Freight Line Holding B.V. (2)	Peel Holdings (Ports) Limited (1)
Clydeport Limited (3)	Peel Ports Containers Limited (1)
Imari Limited (4)	Peel Ports Holdings Limited (1)
Ligna Biomass Holdings Limited (1)	Peel Ports Investments Limited (1)
Maritime Centre Limited (1)	Peel Ports Land & Property Investments Limited (1)
Medway Ports Limited (1)	Peel Ports Operations Limited (1)
Merlin Ports Limited (1)	

### *Dormant or non-trading companies*

Each of the following companies is either dormant or does not trade:

A&PA Property Limited (1)	Coastal Line Container Terminal Limited (4)
A&P Dry Docks Limited (1)	De Facto 1693 Limited (1)
A&P Ports & Properties Limited (1)	Eastport UK Cargo Handling Limited (1)
A&PPP 2006 Limited (1)	Ellesmere Newco Limited (5)
A&P Tyne Properties Limited (1)	Irwell Newco Limited (5)
B.G. Freight Line (Agency) B.V. (2)	James Scott & Co (Dublin) Limited (4)
B.G. Freight Line Shipping B.V. (2)	Peel Ports Finance Limited (5)
Birkenhead East Float (North Vittoria) Newco Ltd (5)	Peel Ports Freight Limited (1)
Birkenhead East Float (South Vittoria) Newco Ltd (5)	Peel Ports Land & Property Investments (No. 2) Ltd (1)
Birkenhead East Float Newco Limited (5)	Peel Ports Trustees Limited (1)
Birkenhead West Float No 1 Newco Limited (5)	Port Falmouth Limited (1)
Birkenhead West Float No 2 Newco Limited (5)	Portia World Travel Limited (1)
Birkenhead West Float No 3 Newco Limited (5)	Rixton and Warburton Bridge Company Limited (1)
Birkenhead West Float No 4 Newco Limited (5)	Runcorn Newco Limited (5)
Birkenhead West Float No 5 Newco Limited (5)	Seaforth Stevedoring Limited (1)
Birkenhead West Float No 6 Newco Limited (5)	Seawing Landguard International Limited (1)
Birkenhead West Float No 7 Newco Limited (5)	TR Shipping Services Limited (6)

### *Indirectly held joint venture undertakings*

The joint venture undertakings held within the sub-group of companies at 31 March 2022 were as follows. Number references in parentheses relate to the registered address of each company, which are set out at the end of this note.

Joint venture	Principal activity
Clarke Chapman Portia Port Services Limited (1)	Non-trading
Inchgreen Marine Park Limited (3)	Non-trading
The Mersey Docks and Harbour Company (L2) Limited (1)	Container Terminal Operator
MDHC Container Services Limited (1)	Labour and Other Services Provider

The group had a 50% shareholding in each of the joint venture undertakings above.

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 March 2022

## 11. INVESTMENTS (CONTINUED)

## Registered offices

Reference	Address
1	Maritime Centre, Port of Liverpool, Liverpool, L21 1LA, UK
2	Den Hamweg 30, 3089KK, Rotterdam, The Netherlands
3	16 Robertson Street, Glasgow, G2 8DS, UK
4	South Bank Quay, Pigeon House Road, Ringsend, Dublin 4, Ireland
5	c/o Maples Corporate Services Ltd, PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands
6	c/o Elliott Duffy Garrett, 40 Linenhall Street, Belfast, BT2 8BA, UK
7	Hugo-Junkers-Str. 17, 50259 Pulheim, Germany

*Disposals in the year ended 31 March 2021*

On 23 July 2020, Peel Ports Investments Limited, a subsidiary undertaking, disposed of its investment in the Marine Support Services segment, including investments in A&P Falmouth Limited, A&P Tees Limited, A&P Tyne Limited, Atlantic & Peninsula Australia Pty Limited, Cammell Laird Shiprepairers & Shipbuilders Limited, A&P Shipbuilders Limited, Atlantic Engineering & Laboratories Limited, Marine Designs Limited, Neway Industrial and Environmental Services Limited, The Falmouth Docks & Engineering Company, A&P GH 2006 Limited, A&P Group Limited, A&P Ship Repairers Limited, Atlantic & Peninsula Marine Services Limited, A&P Birkenhead Properties Limited, A&P Defence Limited, A&P Southampton Limited, A&P Wallsend Limited and Hydropower Services Limited. Further information on the disposal can be found in the financial statements of Peel Ports Investments Limited and Peel Ports Group Limited.

On March 30 2021, Port of Sheerness Limited, a subsidiary undertaking, disposed of its joint venture investment in Estuary Services Limited. Further information on the disposal can be found in the financial statements of Port of Sheerness Limited and Peel Ports Group Limited.

## 12. DEBTORS

	2022 £m	As restated 2021 £m
<b>Amounts falling due within one year:</b>		
Amounts owed by group undertakings	413.1	328.1

Amounts falling due within one year comprise £184.0m (2021: £99.0m) floating rate unsecured redeemable loan notes issued by a subsidiary undertaking to the Company. These loan notes are repayable on demand and have been disclosed as amounts falling due within one year accordingly.

In prior year, the Company incorrectly netted off amounts receivable and payable by/to group undertakings of £229.1m in the financial statements without having a legally enforceable right to offset these balances. As such, prior year amounts owed by group undertakings have been restated to gross up the balances. This adjustment has no impact on net assets or the profit for the year.

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2022**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £m	2021 £m
Amounts owed to group undertakings	335.3	250.3

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

In prior year, the Company incorrectly netted off amounts receivable and payable by/to group undertakings of £229.1m in the financial statements without having a legally enforceable right to offset these balances. As such, prior year amounts owed to group undertakings have been restated to gross up the balances. This adjustment has no impact on net assets or the profit for the year.

**14. CREDITORS: AMOUNTS FALLING AFTER MORE THAN ONE YEAR**

	2022 £m	2021 £m
Amounts owed to group undertakings	352.1	352.1

Amounts falling due after more than one year comprise a £229.1m (2021: £229.1m) unsecured loan from a subsidiary undertaking and £123.0m (2021: £123.0m) of 9% subordinated redeemable loan notes issued to the Company's immediate parent undertaking. The loan bears interest at a floating SONIA rate plus margin payable quarterly in arrears, is not repayable by instalments and has a final repayment date of 21 August 2023. The loan notes, which were issued at par, bear interest bi-annually in arrears, are not repayable by instalments and have a final repayment date of 30 September 2046.

The maturity of these amounts is as follows:

	2022 £m	2021 £m
In more than two years, but not more than five years	229.1	229.1
In more than five years not by instalments	123.0	123.0
	352.1	352.1

**15. CALLED-UP SHARE CAPITAL**

	2022 £m	2021 £m
Allotted and fully paid		
337,492,988 Ordinary shares of £1 each	337.5	337.5

There are no restrictions on the distribution of dividends and the repayment of capital.

	2022 £m	2021 £m
Equity dividends		
Interim ordinary dividends	74.0	39.0

**16. GROUP BORROWING FACILITY**

The Company, together with certain of its fellow group undertakings, has guaranteed the amounts borrowed under bank and private placement loans by certain group companies. As at 31 March 2022, this amounted to £2,161.3m (2021: £2,022.5m).

**NOTES TO THE FINANCIAL STATEMENTS**  
**For the year ended 31 March 2022**

**17. ULTIMATE AND IMMEDIATE HOLDING COMPANY**

The Company is a wholly owned subsidiary of Peel Ports Intermediate Holdco Limited. The ultimate parent company is Peel Ports Holdings (CI) Limited, a company incorporated in the Cayman Islands. Peel Ports Group Limited is the largest and smallest group company for which publicly available consolidated financial statements are prepared. The financial statements of Peel Ports UK Financeco Limited form part of the consolidated financial statements of Peel Ports Group Limited which are available to the public from its registered office:

The Company Secretary  
Peel Ports Group Limited  
Maritime Centre  
Port of Liverpool  
L21 1LA.

**18. ULTIMATE CONTROLLING PARTY**

The ultimate controlling party is Peel Ports Holdings (CI) Limited, the immediate parent company of Peel Ports Group Limited.