

**INEOS TECHNOLOGIES (HOLDINGS) LIMITED**

**Annual report and consolidated financial  
statements**

**Registered number 06716202**

**31 December 2022**

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## **Section 1 - Strategic Report and Directors' Report**

## **Strategic report for the year ended 31 December 2022**

The Directors present their strategic report on the INEOS Technologies (Holdings) Limited (the “Company”) and its wholly owned subsidiary, INEOS Technologies Limited (together referred as the “Group”) for the year ended 31 December 2022.

### **Review of the business**

The Group is a leading licensor of chlor-alkali electrochemical technology. During the year, sales of components and refurbishment services to our existing customer base have remained strong. However, the licensing market for new customers remains very challenging with few opportunities becoming available, 4 new licenses were signed in the year (2021: nil). As at the Balance Sheet date the Company had 73 existing plant licences in operation, up from 69 in the previous year on account of new plants/expansions of existing licence holders.

Revenue for the year was £34.4 million (2021: £34.1 million) and the profit before taxation was £14.2 million (2021: £5.8 million). Gross profit of £14.2 million (2021: £5.8 million) has increased at an absolute level, with gross profit margin also increasing to 55% (2021: 44.9%). Earnings before interest, tax, depreciation and amortisation (“EBITDA”) likewise has improved by £7.2 million to £13.5 million due to the revenue mix achieved in the year, alongside a foreign exchange gain of £3.8 million (2021: loss of £0.5 million). A reconciliation of operating profit to EBITDA is included in note 3.

### **Principal risks and uncertainties**

The management of the business and the execution of the Group’s strategy are subject to a number of risks. The key business risks affecting the Group are set out below:

- The chemical industry is cyclical – changing market demands and prices may negatively affect the Group’s operating margins and impair its cashflow which, in turn could affect its ability to make further investments in the business.
- Raw materials and suppliers – if the Group is unable to pass on increases in raw material prices, or to retain or replace its key suppliers, its results of operations may be negatively affected.
- International operations and currency fluctuations – the Group is exposed to currency fluctuation risks as well as to economic downturns and local business risks in several different countries that could adversely affect its profitability.
- Competition – significant competition in the Group’s industries, whether through efforts of new and current competitors or through consolidation of existing customers, may adversely affect its competitive position, sales and overall operations.
- Outbreaks of disease – the outbreak of contagious diseases may have a negative impact on the Group’s business and performance and an adverse impact on the global economy generally. During the course of 2021 and into 2022, the Group has managed the outbreak of the COVID-19 coronavirus by implementing various measures to ensure the ongoing operation of plants.
- Cyber security – a cyber incident could occur and result in information theft, data corruption, operational disruption and/or financial loss.
- Climate change – existing and proposed regulations to address climate change by limiting greenhouse gas emissions may cause the Group to incur significant additional operating and capital expenses.
- Regulation – the Group is highly regulated and may incur substantial obligations and liabilities arising from health, safety, security and environmental (“HSSE”) laws, regulations and permits applicable to our operations.
- Customers – the Group is subject to the risk of loss resulting from non-payment or non-performance by customers. Credit procedures and policies may not be adequate to minimise or mitigate customer credit risk. Customers may experience financial difficulties, including bankruptcies, restructurings and liquidations.
- Employees — the success of the Group depends on the continued service of certain key personnel and on good relations with our workforce as any significant disruption could adversely affect the Group.

## Strategic report for the year ended 31 December 2022 (continued)

### Section 172(1) statement

The directors have the duty to promote the success of the Group for the benefit of stakeholders as a whole and remain conscious of the impact their decisions have on employees, communities, suppliers, customers and the environment. In the performance of its duty to promote the success of the Group and fairness in decision making the Board have regard (amongst other matters) for:

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

The Group's governance and processes are operated to ensure that all relevant matters are considered by the Board in its principal decision-making, as a means of contributing to the delivery of the Group's long-term success, which are discussed below.

### Long term factors (a)

The Group's principal objectives are to maintain its position as a key global supplier of its products and to increase the value of INEOS by generating strong, sustainable and growing cash flows across industry cycles. To achieve these objectives, the Group has the following key strategies:

- Maintain health, safety, security and environmental excellence;
- Maintain and grow the Group's leadership positions to enhance competitiveness;
- Reduce costs and realise synergies;
- Maximise utilisation of assets;
- Access advantaged feedstock and energy opportunities; and
- Develop and implement a sustainable business.

The Group aims to operate and develop its business in a way that supports both the current and future needs, taking into account relevant economic, environmental, and social factors. This enables the Group to sustain the business for the long term. The directors strongly believe that sustainable business management and practices will contribute to long-term business success and will strengthen the Group's leading position in the market and also in a circular world. The directors ensure that the Group has sufficient resources to support its long-term growth strategy and to fund its investments. An important element is the Group's long-term cash and operational planning in relation to the capital requirements needed to grow and to extend the life span of the assets. The directors consider available and required funds as a basis for any dividend under its distribution policy.

### Stakeholder considerations (b – e)

Engaging stakeholders and developing meaningful partnerships is essential for long-term business success. The Group engages in regular, open, and proactive dialogue with all relevant stakeholders as this is needed to understand their perspectives, expectations, concerns, and needs. For example in many instances suppliers are located on the same chemical parks which helps develop partnerships, facilitate discussions as well as reduce waste, inefficiency. The Company also works with trade unions and have open and constructive discussions as well as investing in training programmes to continue to develop employees at all levels of the organisation. In this way, the Group is able to integrate stakeholder's considerations into business decision-making processes. Dialogue with stakeholders gives the Group the opportunity to explain its clear and committed approach to sustainability as well as the value of the Group's work, products and services for society.

Key stakeholders contribute to the Group's economic, social, and environmental performance. Stakeholders include customers, suppliers, employees, financial experts and rating agencies, local communities, industry associations, NGOs, scientific institutions, universities, government, and value chain partners.

## **Strategic report for the year ended 31 December 2022 (continued)**

### **Section 172(1) statement (continued)**

#### *Stakeholder considerations (b – e) (continued)*

The Group is very conscious of having a sustainable business, therefore INEOS produces an annual sustainability report which aligns with the Global Reporting Initiative (GRI) framework and focuses on the issues most material to the Company and its stakeholders. The report focuses on seven key areas, being:

1. Climate change – advancing the transition to net zero;
2. Circular economy – maximising resource efficiency and eliminating waste;
3. Zero pollution – driving progress towards sustainable chemical value chains;
4. Our people – prioritising workplace health and safety (SHE) and fairness;
5. People in our value chain – safeguarding conditions and human rights;
6. People in our communities – respecting and supporting local communities;
7. Governance – maintaining the highest standard of ethics and compliance.

These matters are considered by the directors in making decisions and in assessing the long-term viability of the business.

The Group is committed to maintaining a workplace that is safe, professional, and supportive of teamwork and trust. The Group is committed to creating and sustaining a work environment of mutual trust where all employees are treated with respect and dignity, compensated fairly based on local market conditions, and are entitled to adequate working hours. The Group values diversity of its people and each of its employees is recognised as an important member of the team.

The Group is committed to protecting and maintaining the quality of the environment and to promoting the health and safety of its employees, contractors, suppliers, customers, visitors, and the communities in which it operates. For example INEOS is a signatory to the International Council of Chemical Associations' (ICCA) Responsible Care Global Charter which demonstrates the Company's commitment to strengthening chemicals management systems, safeguarding people and the environment, and working towards sustainable solutions through our value chain. Compliance with all legislation intended to protect people, property and the environment is one of the Group's fundamental priorities and applies to its products as well as to its processes. Management lead by example and allocate the required resources to achieve excellence in SHE performance.

#### *The need to act fairly as between members of the Company (f)*

The Group has a single shareholder and a single ultimate controlling party. Their interests are taken into account by the directors to promote fairness in decision making.

#### *Principal Decisions*

Below outlines the principal decisions made by the Board over the past year and explains how the Directors have engaged with, or in relation to the key shareholder groups and how stakeholder interests were considered in the decision-making. The principal decisions are defined to be decisions taken by the Group that are of a strategic nature and are significant to any of the Group's key stakeholder groups.

The Group has continued to invest in alkali water electrolysis technology development, which will provide the Group with further opportunities for growth.

## **Strategic report for the year ended 31 December 2022 (continued)**

### **Key performance indicators (“KPI”)**

The Group uses a number of financial and non-financial key performance indicators (“KPIs”) to measure performance, which are monitored against budget and the prior year.

The main financial KPI for the business is earnings before interest, taxation, depreciation and amortisation (“EBITDA”). EBITDA for the Group for the year ending 31 December 2022 was £13.5 million (2021: £6.3 million). The Group also closely monitors fixed costs against budget and prior year.

The Group uses a number of other non-financial key performance indicators to measure performance including health, safety and environmental (“SHE”) metrics such as Occupational Safety and Health Administration (“OSHA”) incident and injury rates to measure the safe working of employees and contractors. Other KPIs include monitoring the reliability of operating assets and working capital ratios of the Group.

### **Future developments**

The Group will continue to focus on those areas that can be controlled including performance on health and safety and continued reductions in the fixed cost base. Additionally, the Group will remain focused on controlling capital expenditure and working capital.

Approved by the board and signed on its behalf



D J Horrocks  
Director  
2 October 2023

## **Directors' report for the year ended 31 December 2022**

The Directors present their report together with the consolidated and company financial statements and auditor's report of INEOS Technologies (Holdings) Limited for the year ended 31 December 2022.

### **Principal activities**

The principal activities of the Group during the year were the manufacture, license and distribution of electrolyzers for the chlor-alkali industry. The Group also provides anode and cathode electrode coatings, comprehensive installation, commissioning and long term technical support. The principal activity of the Company is that of a holding company.

### **Business relationships**

The business relationships with suppliers and customers are of strategic importance to the Directors of the Company and their decision-making process. The business relationships of the Company are described in the Section 172(1) statement in the Strategic Report.

### **Results for the year**

The results of the Group are set out in the consolidated income statement on page 16 which shows a profit before taxation for the year of £14.2 million (2021: £5.8 million).

### **Going concern**

As at 31 December 2022, the Group had net current assets of £2.4 million (2021: £1.5 million) and net assets of £60.4 million (2021: £50.6 million). The Group held cash of £5.4 million (2021: £5.9 million) and net receivable interest-bearing loans and borrowings (net of debt issue costs) of £31.3 million at 31 December 2022 (2021: £25.7 million) in which £13 million is due to be repaid within 12 months of signing the financial statements. The profit for the year was £11.5 million (2021: £4.6 million). The directors have considered the Group's projected future cash flows and working capital requirements and are confident that the Group has sufficient cashflows to meet its working capital requirements for the next twelve months from the date of signing the financial statements. In particular the Directors have stress tested the forecasts through taking account of reasonable possible changes in trading performance on the impact on EBITDA and cash flow. The stress tests show that the Group will still have sufficient cash flow to meet all of its obligations as they fall due within the next twelve months from the date of signing the financial statements.

### **Dividends**

The directors do not recommend payment of a dividend (2021: £nil). No dividends have been paid or declared subsequent to year end.

### **Future developments**

Future developments are described in the Strategic Report.

### **Research and development**

Research and development activity is carried out by the Group as part of a strategic development programme. Expenditure on research and development is written off to the consolidated income statement in the year incurred.

### **Donations**

Neither the Company nor its subsidiary made any political donations or incurred any political expenditure during the year (2021: £nil).

### **Financial risk management**

See Note 19 of the financial statements for information on financial instruments, interest risk, liquidity risk and foreign currency risk.



## **Directors' report for the year ended 31 December 2022 (continued)**

### **Directors**

The directors who held office during the year and up to the date of signing of the financial statements were as follows:

D J Horrocks  
P M Daniels (appointed 4 January 2022)  
J D Taylorson (resigned 4 January 2022)

### **Directors' indemnities**

As permitted by the Articles of Association, the Company, via a policy maintained by a parent undertaking has maintained cover for its directors and officers under a directors' and officers' liability insurance policy as permitted by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force.

### **Employees**

The Group places considerable importance on communication with employees. This is to ensure that employees at all levels of the organisation are kept aware of key business developments and, in particular, financial performance so as to focus attention on key performance metrics. Town hall sessions are held at various points in the year, hosted by members of the Executive Committee, regional leadership teams and site management. Business news items are also communicated in local language to the organisation either via cascade or direct to individuals via email, Bulletin Boards and Intranet facilities. Work groups in the manufacturing areas have daily "toolbox talks" that cover SHE, critical operational items for the day and business developments. The Group undertakes employee surveys on a regular basis and there are action plans in place to address issues arising. INEOS is committed to an environment where open, honest communications are the expectation, not the exception. There is encouragement to discuss issues with line managers or other managers. In addition, there is an "INEOS Speak UP!" service for those employees wishing to report more serious unethical or improper behaviours. The Group has regard to employees' interests and take employee views into account when making decisions.

The Group operates in full accordance with prevailing employment legislation including information and consultation with employees and their representatives on matters affecting their interests. Outside of any necessary formal consultation process, there are regular briefings between the Group and the Trade Union bodies.

The Group facilitates a number of schemes designed to encourage employees to deliver key business targets. This includes a discretionary Short Term Incentive Plan and a Long Term Incentive Plan, both of which are designed to focus attention on key areas of performance such as SHE, EBITDA before exceptional items, working capital, plant reliability and fixed costs.

It is the Group's practice to give full and fair consideration to applications for employment received from disabled persons, subject to the Group's requirements and to the qualifications, ability and aptitude of the individual in each case. In the event of staff becoming disabled, every effort is made to ensure their continued employment with the Group and to provide suitable adjustments to the workplace where appropriate.

The Group continually strives to meet, and where possible, exceed all relevant legal requirements applying to safety, health and the environment. It is committed to continuous improvement in all aspects of its operations. Through its Safety, Health, Environment Quality ("SHEQ") Policy, the Group aims to be amongst the chemical industry leaders in health, safety, environmental protection and customer satisfaction, ensuring that products meet society's increasing environmental requirements. Specifically the Group works to two guiding principles. The first being to protect the health and safety of its employees; the communities in which it operates; and the users of its products. Secondly, the Group seeks to minimise the effects on the environment from its operations; storage; transport; use and disposal of its products.

## **Directors' report for the year ended 31 December 2022 (continued)**

### *Employees (continued)*

The Group manages Safety, Health and the Environment ("SHE") as an integral part of its activities through a formal management system that sets clear SHE standards/targets and monitors performance against them. It requires all members of staff (and others who work on its behalf) to adhere to the standard in the SHE Management System and to exercise personal responsibility to prevent harm to themselves, others and the environment. Comprehensive SHE information and training is provided to all employees, with SHE objectives set for every individual each year through the performance appraisal process. SHE targets also feature in the Group's discretionary Business Bonus Scheme. Appropriate SHE information and training is also provided to others who work for the Group, handle its products or operate its technologies. The Group also participates in industry wide responsible care and sustainable development activities.

### **Health and safety**

The Group's facilities and operations are subject to a wide range of health, safety, security and environmental ("HSSE") laws and regulations in all of the jurisdictions in which it operates. These requirements govern, among other things, the manufacture, storage, handling, treatment, transportation and disposal of hazardous substances and wastes, wastewater discharges, air emissions (including GHG emissions), noise emissions, human health and safety, process safety and risk management and the clean-up of contaminated sites. Many of the Group's operations require permits and controls to monitor or prevent pollution. The Group has incurred, and will continue to incur, substantial ongoing capital and operating expenditures to ensure compliance with current and future HSSE laws, regulations and permits or the more stringent enforcement of such requirements.

The Group's operations are currently in material compliance with all HSSE laws, regulations and permits. The Group actively addresses compliance issues in connection with its operations and properties and believe that it has systems in place to ensure that environmental costs and liabilities will not have a material adverse impact on the Group.

### **Directors' responsibilities statement**

The directors are responsible for preparing the Annual 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 group financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and parent company and of the profit or loss of the group and parent company for that period. In preparing the parent company financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable 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 group and parent company will continue in business.

## **Directors' report for the year ended 31 December 2022 (continued)**

### *Directors' responsibilities statement (continued)*

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible 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 Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

### **Streamlined Energy and Carbon Reporting**

The Group is classified as a large unquoted group due to its size and shareholding structure, however due to the nature of the group there is nothing to report on this matter.

### **Statement of disclosure of information to auditors**

The Directors confirm that as far as they are aware, there is no relevant audit information of which the Company's auditors are unaware and that they have taken all steps necessary as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

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

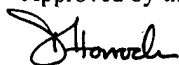
### **Independent auditors**

Deloitte LLP have expressed their willingness to continue in office as auditor pursuant to Section 487 of the Companies Act 2006. Appropriate arrangements have been put in place for them to be deemed reappointed in the absence of an Annual General Meeting.

### **Registered address**

INEOS Technologies (Holdings) Limited  
Banks Lane Office  
Banks Lane  
PO Box 9  
Runcorn  
Cheshire  
WA7 4JE  
United Kingdom

Approved by the board and signed on its behalf



D J Horrocks  
Director  
2 October 2023

## **Independent auditor's report to the members of INEOS Technologies (Holdings) Limited**

### **Report on the audit of the financial statements**

#### **Opinion**

In our opinion:

- the financial statements of INEOS Technologies (Holdings) Limited (the 'parent company') and its subsidiary (the 'group') give a true and fair view of the state of the group's and of the parent company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the consolidated income statement;
- the consolidated statement of comprehensive income;
- the consolidated balance sheet;
- the consolidated statement of changes in equity;
- the consolidated cash flow statement;
- the related notes 1 to 23;
- the parent company balance sheet
- the parent company statement of changes in equity; and
- the related notes 1 to 10.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law, and international accounting standards in conformity with the requirements of the Companies Act 2006 and IFRSs as issued by the IASB. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (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 are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **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 group's and parent 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.

## **Independent auditor's report to the members of INEOS Technologies (Holdings) Limited (continued)**

### **Other information**

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information within the annual report. 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.

### **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 group's and the parent 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 group or the parent 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.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Extent to which the audit was considered 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.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities including those that are specific to the company's business sector.

We obtained an understanding of the legal and regulatory frameworks that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty.

## **Independent auditor's report to the members of INEOS Technologies (Holdings) Limited (continued)**

### **Extent to which the audit was considered capable of detecting irregularities, including fraud (continued)**

We discussed among the audit engagement team including relevant internal specialists such as tax, and pensions, regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud on the valuation of the defined benefit pension scheme. Our specific procedures performed to address the risk are described below:

- Valuation of liabilities within the defined benefit pension scheme are assessed through the use of an internal pension's specialist. We have assessed each key assumption in place through comparison to overall market conditions, third party comparable pension schemes and recalculated a reasonable range for the overall liability

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance.

### **Report on other legal and regulatory requirements**

#### **Opinions on other matters prescribed by the Companies Act 2006**

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 group and of the parent company and their environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the directors' report.

#### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

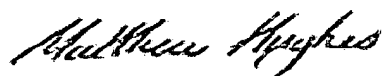
- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors'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

We have nothing to report in respect of these matters.

**Independent auditor's report to the members of INEOS Technologies (Holdings) Limited (continued)**

**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.



Matthew Hughes BSC (Hons) ACA (Senior statutory auditor)  
For and on behalf of Deloitte LLP  
Statutory Auditor  
Leeds  
2 October 2023

## **Section 2 - Consolidated Financial Statements**



**Consolidated Income statement for the year ended 31 December 2022**

	Note	2022 £m	2021 £m
Revenue	2	34.4	34.1
Cost of sales		(15.3)	(18.8)
<b>Gross profit</b>		<b>19.1</b>	<b>15.3</b>
Distribution costs		(1.4)	(1.2)
Administrative expenses		(5.3)	(9.0)
<b>Operating profit</b>	3	<b>12.4</b>	<b>5.1</b>
Net interest receivable and similar income	5	1.8	0.7
<b>Profit before taxation</b>		<b>14.2</b>	<b>5.8</b>
Tax	6	(2.7)	(1.2)
<b>Profit for the financial year</b>		<b>11.5</b>	<b>4.6</b>

All activities of the company relate to continuing operations.

**Consolidated Statement of comprehensive income for the year ended 31 December 2022**

	Note	2022 £m	2021 £m
<b>Profit for the financial year</b>		<b>11.5</b>	<b>4.6</b>
<b>Other comprehensive (expense)/income</b>			
Actuarial (loss)/gain recognised in the pension scheme	16	(2.3)	0.2
Movement in deferred tax relating to pension scheme	9	0.6	-
<b>Other comprehensive (expense)/income for the financial year</b>		<b>(1.7)</b>	<b>0.2</b>
<b>Total comprehensive income for the financial year</b>		<b>9.8</b>	<b>4.8</b>

## Consolidated Balance sheet as at 31 December 2022

	Note	2022 £m	2021 £m
<b>Non-current assets</b>			
Property, plant and equipment	7	16.7	10.5
Intangible assets	8	0.6	0.6
Trade and other receivables	11	44.4	38.5
Employee benefits	16	-	0.4
		<b>61.7</b>	<b>50.0</b>
<b>Current assets</b>			
Inventories	10	18.2	15.5
Trade and other receivables	11	6.4	5.6
Cash and cash equivalents	12	5.4	5.9
		<b>30.0</b>	<b>27.0</b>
<b>Total assets</b>		<b>91.7</b>	<b>77.0</b>
<b>Equity attributable to owners of the parent</b>			
Share capital	18	-	-
Share premium	18	4.4	4.4
Actuarial reserve	18	(1.1)	0.6
Retained earnings		57.1	45.6
<b>Total shareholder's funds</b>		<b>60.4</b>	<b>50.6</b>
<b>Non-current liabilities</b>			
Trade and other payables: amounts due in more than one year	14	0.1	0.2
Provisions	17	0.3	-
Deferred tax	9	2.3	0.7
Employee benefits	16	1.0	-
		<b>3.7</b>	<b>0.9</b>
<b>Current liabilities</b>			
Trade and other payables: amounts due in less than one year	13	21.9	19.9
Tax payable		5.7	5.3
Provisions	17	-	0.3
		<b>27.6</b>	<b>25.5</b>
<b>Total liabilities</b>		<b>31.3</b>	<b>26.4</b>
<b>Total shareholder's funds and liabilities</b>		<b>91.7</b>	<b>77.0</b>

The notes on pages 19 to 44 are an integral part of these consolidated financial statements.

These financial statements on pages 15 to 44 were approved by the Board of Directors and authorised for issue on 2 October 2023 and signed on its behalf by:



D J Horrocks  
Director

Company registered number: 06716202

**Consolidated Statement of changes in equity for the year ended 31 December 2022**

	Share capital £m	Share premium £m	Actuarial reserve £m	Retained earnings £m	Total shareholders' funds £m
<b>Balance at 1 January 2021</b>	-	4.4	0.4	41.0	45.8
Profit for the financial year	-	-	-	4.6	4.6
<i>Other comprehensive income:</i>					
Actuarial gain recognised in the pension scheme	-	-	0.2	-	0.2
<b>Total comprehensive income for the year</b>	-	-	0.2	4.6	4.8
<b>Balance at 31 December 2021</b>	-	4.4	0.6	45.6	50.6
Profit for the financial year	-	-	-	11.5	11.5
<i>Other comprehensive income/(expense):</i>					
Actuarial loss recognised in the pension scheme	-	-	(2.3)	-	(2.3)
Movement in deferred tax relating to defined benefit liability	-	-	0.6	-	0.6
<b>Total comprehensive income for the year</b>	-	-	(1.7)	11.5	9.8
<b>Balance at 31 December 2022</b>	-	4.4	(1.1)	57.1	60.4

Actuarial reserve relates to the re-measurement of defined benefit pension plans.

## Consolidated Statement of cash flows for the year ended 31 December 2022

	Note	2022 £m	2021 £m
<b>Cash flows from operating activities</b>			
Profit for the financial year		11.5	4.6
<b>Adjustments for:</b>			
Depreciation	7	1.1	1.2
Pension scheme contributions		(0.9)	(1.4)
Foreign exchange (gain)/loss		(3.8)	0.7
Net finance income		(2.1)	(1.0)
Tax charge	6	2.7	1.2
Increase in trade and other receivables		(0.8)	(1.3)
Increase in inventories		(2.7)	(4.4)
Increase/(decrease) in trade, other payables and provisions		1.9	(1.2)
<b>Net cash generated from/(used in) operating activities</b>		<b>6.9</b>	<b>(1.6)</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	8	(7.3)	(3.5)
<b>Net cash generated in investing activities</b>		<b>(7.3)</b>	<b>(3.5)</b>
<b>Cash flows from financing activities</b>			
Capital element of right of use lease payments		(0.1)	(0.2)
<b>Net cash used in financing activities</b>		<b>(0.1)</b>	<b>(0.2)</b>
Net decrease in cash and cash equivalents		(0.5)	(5.3)
Cash and cash equivalents at 1 January		5.9	11.2
<b>Cash and cash equivalents at 31 December</b>		<b>5.4</b>	<b>5.9</b>

## **Notes to the consolidated financial statements for the year ended 31 December 2022**

### **1. Accounting policies**

#### **Overview**

INEOS Technologies (Holdings) Limited (the “Company”) is a privately owned company incorporated in the United Kingdom under the Companies Act 2006, registered in England and Wales, having its registered office at Bankes Lane Office, Bankes Lane, PO Box 9, Runcorn, Cheshire, United Kingdom, WA7 4JE.

The Company was incorporated on 6 October 2008 in the United Kingdom. On 10 October 2008 the Company acquired, by way of a share for share exchange, all of the issued voting share capital of INEOS Technologies Limited; the non-voting share capital was also acquired by way of a share for share exchange in November 2008. The conditions to treat this acquisition under merger accounting rules were satisfied. The consolidated financial statements include those of the Company and its subsidiary on the basis that the subsidiary was acquired on the date it was acquired under the previous ownership structure and no goodwill arose on the merger referred to above.

The principal activity of the Group during the year was the manufacture, license and distribution of electrolyzers for the chlor-alkali industry. The Group also provides anode and cathode electrode coatings, comprehensive installation, commissioning and long term technical support.

#### **Basis of accounting**

The Group financial statements consolidate those of the Company and its subsidiary (together referred to as the “Group”). The parent company financial statements present information about the Company as a separate entity and not about its Group.

The Group financial statements have been prepared on a going concern basis and approved by the Board of Directors in accordance with the International Financial Reporting Standards (IFRSs) as adopted in the United Kingdom (“Adopted IFRSs”) effective 31 December 2022 and with the Companies Act as applicable to companies using Adopted IFRSs.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these Group financial statements.

These Group financial statements are presented in sterling, which is the functional currency of the majority of operations. The Group primarily generates income, incurs expenditure and has the majority of its assets and liabilities denominated in sterling. All financial information presented in sterling has been rounded to the nearest £0.1 million.

#### **Changes in accounting policies**

The Company financial statements have been prepared using consistent accounting policies with those of the previous financial year.

#### **Measurement convention**

The financial statements are prepared on the historical cost basis modified to include certain items at fair value, as explained in the accounting policies below.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### **Going concern**

The directors have considered the group's projected future cash flows and working capital requirements, and are confident that the group has sufficient cash flows to meet its working capital requirements for the next 12 months from the date of signing these financial statements. On the basis of the assessment described in the directors report, together with a strong balance sheet and access to liquidity, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis.

## **Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

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

#### **Basis of consolidation**

##### ***Subsidiaries***

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances, income and expenses on transactions between group companies are eliminated. Profits and losses resulting from inter-company transactions that are recognised in assets are also eliminated.

##### **Foreign exchange**

Transactions in foreign currencies are translated to the functional currency of the Group at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement except for differences arising on the retranslation of a financial liability designated as a hedge of the net investment in a foreign operation that is effective, or qualifying cash flow hedges, which are recognised directly in other comprehensive income. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are retranslated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined.

#### **Basic financial instruments**

##### ***Trade and other receivables***

Trade and other receivables are recognised initially at fair value plus transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition they are tested for classification as per IFRS 9. If the trade receivables meet the cash flow characteristics and business model tests as per IFRS 9, then they are recognised at amortised cost. If they do not qualify for being recognised at amortised cost they are recognised at fair value through profit or loss.

##### ***Trade and other payables***

Trade and other payables are recognised initially at fair value less transaction costs that are directly attributable to the acquisition or issue. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

##### ***Interest-bearing borrowings***

Interest-bearing borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method.

##### ***Cash and cash equivalents***

Cash and cash equivalents comprise cash balances and call deposits.

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

##### ***Trade and other receivables***

The Group applies the simplified approach when providing for the expected credit losses prescribed by IFRS 9 for its trade receivables and contract assets. This approach requires the Group to recognise the lifetime expected loss provision for all trade receivables taking in consideration historical as well as forward-looking information.

Financial assets which are considered low risk are not provided for impairment by the Group.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after impairment loss was recognised.

## **Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

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

#### **Impairment of non-financial assets excluding inventories and deferred tax assets**

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are assessed at the end of the reporting period to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the consolidated income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

#### *Calculation of recoverable amount*

The recoverable amount is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### *Reversals of impairment*

An impairment loss in respect of goodwill is not reversed.

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### **Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Cost may include the cost of materials, labour and other costs directly attributable to bringing the assets to a working condition for their intended use. Cost may also include the cost of dismantling and removing items and restoring the site on which they are located.

Assets are capitalised in recognition of future economic benefit or for Health and Safety Executive compliance.

Property, plant & equipment work in progress is held as assets under construction until fully commissioned and transferred into active use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Depreciation is charged to the consolidated income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Depreciation commences from the date an asset is brought into service. Assets in the course of construction are not depreciated. The estimated useful lives are as follows:

- |  |                |
|--|----------------|
| • Buildings                                  | 20 to 40 years |
| • Plant and equipment – major items of plant | 5 to 20 years  |
| • Plant and equipment – computer hardware    | 2 to 4 years   |

Depreciation methods, useful lives and residual values are reviewed at each reporting date. Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset.

## **Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

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

#### *Property, plant and equipment (continued)*

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. Where an indicator of impairment exists, the Group makes an estimate of the recoverable amount, which is the higher of the asset's fair value less cost to sell and value in use. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Assets are derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying value of the asset) is included in the consolidated income statement in the period in which the item is derecognised.

#### **IFRS 16 Leases**

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

#### *Group as a lessee*

##### *Right-of-use assets*

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

##### *Lease liabilities*

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate.

The lease payments include fixed payments (including in-substance fixed payments), variable lease payments that depend on an index or a rate (initially measured using the index or rate as at the commencement date), amounts expected to be paid under residual value guarantees less any lease incentives receivable. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are expensed in the period on which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

After the commencement date, the lease liability is measured at amortised cost using the effective interest method. The amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments, a change in the assessment of whether the Group is reasonably certain to exercise an option to purchase the underlying asset, a change in future lease payments arising from a change in an index or rate, or if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee.



## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 1. Accounting policies (continued)

#### *Lease liabilities (continued)*

When the lease liability is remeasured in this way and there has been no change in the scope of the lease, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in the consolidated income statement if the carrying amount of the right-of-use asset has been reduced to zero.

#### *Short-term leases and leases of low-value assets*

The Group applies the short-term lease recognition exemption to all leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group also applies the lease of low-value assets recognition exemption to leases of assets that are valued below €10,000 (converted to sterling at the prevailing exchange rate at the time of review). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

### **Business combinations, goodwill and intangible assets**

#### *Business combinations*

Business combinations are defined according to IFRS 3 as a transaction or another event in which the acquirer achieves control over one or several business of the acquiree. All business combinations are accounted for by applying the purchase method, except acquisitions under common control which are outside the scope of IFRS 3. Acquisitions under common control are accounted for by applying merger accounting.

#### *Goodwill*

Goodwill represents amounts arising on acquisition of subsidiaries, associates and jointly controlled entities. All transaction costs are expensed as incurred.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to groups of cash-generating units and is not amortised but is tested annually for impairment. Cash generating units are predominantly business units.

#### **Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured inventories and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

#### **Employee benefits**

The Group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

#### *Pension costs*

The Group participates in a pension scheme providing benefits based on final pensionable pay and the assets of this scheme are held separately from those of the Group. The pension scheme is a multi-employer pension scheme for employees of INEOS Technologies Limited (Technologies), INEOS Enterprises Group Limited and INOVYN Enterprises Limited (Enterprises), INOVYN ChlorVinyls Limited, (Chlor), and INEOS Healthcare Limited (Healthcare).

The annual current service cost of pension provision and any vested costs of benefits relating to past service arising during the year are charged against operating profit for the year. A charge equal to the increase in present value of the pension scheme liabilities due to interest over the year and a credit equal to the annual expected return on pension scheme assets at the start of the year are included as 'other finance income' in the income statement. Actuarial gains and losses are recognised in the statement of comprehensive income. The surplus or deficit in the pension scheme and any past service cost not yet recognised, net of any related deferred tax, is shown in the balance sheet. The method used to allocate the IAS 19 liabilities, assets and service cost between entities is as follows:

## **Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

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

#### **Employee benefits (continued)**

- The total active liability as at 31 December 2022 is calculated by rolling forward the active liabilities as at the valuation date of 4 May 2022 and adjusting for the assumptions as at 31 December 2022. This is then split between the entities based on information provided by the Scheme Actuary.
- The inactive liability as at 31 December 2022 is calculated by rolling forward the inactive liabilities as at the valuation date of 4 May 2022 and adjusting for the assumptions as at 31 December 2022. The total inactive liability at 4 May 2022 is split between the total Chlor entities based on information provided by the Scheme Actuary.
- An approximate allowance has been made for the changes due to special events (that the local actuary is aware of) since the last full valuation.
- The plan assets are allocated between the entities based on the allocation of the liabilities between the entities.
- The expected 2023 service cost has been estimated based on the respective payrolls (after the special events), as confirmed by the Group, at 31 December 2022.
- The actual benefits paid in 2022 for the Chlor Pension Plan as a whole were provided by the administrator. These have been split by entity in proportion to the liabilities for each entity. This is consistent with the approach used in 2021.

The Directors believe that this approach represents a reasonable basis of accounting for the scheme.

The most recent signed valuation for the Group was 4 May 2022. The results of this valuation have been incorporated into the financial statements for the year ended 31 December 2022.

The Group also participates in a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The amount charged to the income statement represents the contributions payable to the scheme in respect of the accounting period.

#### *Short-term benefits*

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term and long-term cash bonus plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

#### **Provisions**

A provision is recognised in the consolidated balance sheet where the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

#### **Share capital**

Preference and business tracker shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

#### **Revenue**

Revenue represents the sales value of goods and services to customers during the year. It excludes VAT and similar based taxes.

In line with IFRS 15 Revenue from contracts with customers, revenue is recognised when the risks and rewards of ownership are transferred to the customer or the service has been provided, and it can be reliably measured. Sale contracts are typically structured such that there is one key performance obligation, that is the full delivery of goods and/or services and as such revenue is only recognised at the completion stage of these contracts.

## **Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

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

#### **Interest payable and similar expenses**

Interest receivable and interest payable is recognised in the consolidated income statement as it accrues, using the effective interest method.

Interest payable relates to the cost on the defined plan obligation and fair plan assets of the employee benefits scheme. Interest receivable relates to related party loans.

#### **Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

##### ***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

##### ***Deferred tax***

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

##### ***Current tax and deferred tax for the year***

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 2. Revenue

Geographical analysis of revenue is:

	2022 £m	2021 £m
United Kingdom	5.4	5.6
Norway	0.4	3.0
Russia	0.5	1.9
Rest of Europe	5.3	4.5
United States of America	8.1	7.6
China	1.1	0.6
Bangladesh	1.7	0.9
Turkey	-	0.6
India	-2.8	0.8
Thailand	0.5	0.4
Saudi Arabia	0.9	1.3
Rest of the World	13.3	6.9
	<b>34.4</b>	<b>34.1</b>

All revenue in the year and in the prior year was from sales to external customers. The directors consider there to be only one operating segment in the business.

### 3. Operating profit

Included in operating profit are the following:

	2022 £m	2021 £m
Auditors' remuneration *	-	-
Research and development expensed as incurred	0.8	0.7
Foreign exchange (gain)/loss	(3.8)	0.7
Depreciation and amortisation	1.1	1.2

\* The auditors' remuneration for the audit of the Group and Parent Company financial statements was £55,930 payable to Deloitte LLP (2021: £56,961). No non-audit services were provided to the Group or the Parent Company (2021: £nil).

Reconciliation of operating profit to earnings before interest, tax, depreciation and amortisation (EBITDA):

	2022 £m	2021 £m
Operating profit	12.4	5.1
Depreciation		
Owned assets	0.7	1.0
Right of use assets	0.4	0.2
<b>EBITDA</b>	<b>13.5</b>	<b>6.3</b>

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 4. Staff numbers and costs

The monthly average number of persons employed by the Group during the year, analysed by category, was as follows:

	2022	2021
Production	45	29
Sales and administration	37	49
Research and development	10	10
	<b>92</b>	<b>88</b>

The costs charged through operating profit in the consolidated income statement of these persons were as follows:

	2022 £m	2021 £m
Wages and salaries	5.5	5.8
Social security costs	0.6	0.5
Expenses related to defined contribution pension plans (note 16)	0.7	0.5
Other expenses related to pension plans (note 16)	0.1	0.1
	<b>6.9</b>	<b>6.9</b>

The directors did not receive any emoluments for their services to the company and the group (2021: £nil). Their emoluments are borne by companies in the wider INEOS Group as headed by INEOS Limited.

### 5. Net interest receivable and similar income

	2022 £m	2021 £m
<b>Interest receivable and similar income</b>		
Interest receivable on loans to related parties	2.1	1.4
Net foreign exchange gains and similar income	0.2	-
	<b>2.3</b>	<b>1.4</b>
<b>Interest payable and similar expenses</b>		
Interest payable on loans from related parties	(0.5)	(0.5)
Net foreign exchange losses and similar expenses	-	(0.2)
	<b>(0.5)</b>	<b>(0.7)</b>
<b>Net interest receivable and similar income</b>	<b>1.8</b>	<b>0.7</b>

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 6. Tax

#### Recognised in the consolidated income statement

	2022 £m	2021 £m
<b>UK corporation tax</b>		
Current year on income in the year	0.7	0.7
Adjustments in respect of prior year	(0.2)	-
<b>Total current tax</b>	<b>0.5</b>	<b>0.7</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	2.1	0.4
Impact of rate change	-	0.1
Adjustments in respect of prior year	0.1	-
<b>Total deferred tax charge</b>	<b>2.2</b>	<b>0.5</b>
<b>Tax charge for the year</b>	<b>2.7</b>	<b>1.2</b>

#### Recognised in other comprehensive income

	Gross £m	2022 Tax £m	Net £m	Gross £m	2021 Tax £m	Net £m
Remeasurements of post-employment benefit	(2.3)	0.6	(1.7)	0.2	-	0.2
	(2.3)	0.6	(1.7)	0.2	-	0.2

#### Reconciliation of effective tax rate

	2022 £m	2021 £m
Profit before taxation	14.2	5.8
Profit before taxation multiplied by the standard UK corporation tax rate of 19% (2021: 19%)	2.7	1.1
Adjustments in respect of prior year	(0.1)	-
Non-deductible expenses	(0.4)	-
Effects of rate change to deferred tax balances	0.5	0.1
<b>Tax charge for the year</b>	<b>2.7</b>	<b>1.1</b>

#### Factors which may affect future tax charges

The Finance Bill 2021 which increased the rate of corporation tax to 25% on profits over £250,000 from April 2023 was substantively enacted on 24 May 2021. As a result, deferred taxes in the United Kingdom at 31 December 2022 and 31 December 2021 are measured at 25%. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

**Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

**7. Property, plant and equipment**

	Land and buildings £m	Plant and equipment £m	Assets under construction £m	Total £m
<b>Cost</b>				
Balance at 1 January 2021	3.6	16.7	0.8	21.1
Additions	-	0.1	3.4	3.5
Modification of existing lease	0.1	-	-	0.1
<b>Balance at 31 December 2021</b>	<b>3.7</b>	<b>16.8</b>	<b>4.2</b>	<b>24.7</b>
Transfers	-	0.4	(0.4)	-
Additions			7.3	7.3
<b>Balance at 31 December 2022</b>	<b>3.7</b>	<b>17.2</b>	<b>11.1</b>	<b>32.0</b>
<b>Accumulated depreciation</b>				
Balance at 1 January 2021	2.4	10.7	-	13.1
Depreciation charge for the year	0.5	0.7	-	1.2
Modification of existing lease	(0.1)	-	-	(0.1)
<b>Balance at 31 December 2021</b>	<b>2.8</b>	<b>11.4</b>	<b>-</b>	<b>14.2</b>
Depreciation charge for the year	0.4	0.7	-	1.1
<b>Balance at 31 December 2022</b>	<b>3.2</b>	<b>12.1</b>	<b>-</b>	<b>15.3</b>
<b>Net book value</b>				
<b>At 31 December 2022</b>	<b>0.5</b>	<b>5.1</b>	<b>11.1</b>	<b>16.7</b>
At 31 December 2021	0.9	5.4	4.2	10.5

Included within the above are right of use assets as follows: -

	Land and buildings £m	Total £m
<b>Cost</b>		
At 1 January 2021	1.0	1.0
Modification of existing lease	0.1	0.1
<b>At 31 December 2021 and 31 December 2022</b>	<b>1.1</b>	<b>1.1</b>
<b>Accumulated depreciation</b>		
At 1 January 2021	0.4	0.4
Charge for the year	0.2	0.2
Modification of existing lease	(0.1)	(0.1)
<b>At 31 December 2021</b>	<b>0.5</b>	<b>0.5</b>
Charge for the year	0.4	0.4
<b>At 31 December 2022</b>	<b>0.9</b>	<b>0.9</b>
<b>Net book value</b>		
<b>At 31 December 2022</b>	<b>0.2</b>	<b>0.2</b>
At 31 December 2021	0.6	0.6

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 8. Intangible assets

	Goodwill £m
<b>Cost</b>	
Balance at 1 January 2022 and 31 December 2022	1.2
<b>Impairment</b>	
Balance at 1 January 2022 and 31 December 2022	(0.6)
<b>Net book value</b>	
<b>At 1 January 2022 and 31 December 2022</b>	<b>0.6</b>

#### Impairment test

The carrying value of goodwill arose from the acquisition of the business from INEOS ETB Limited on 19 October 2007. In line with the Company's accounting policies goodwill is subject to an annual impairment review. This review gave no indication that the carrying value at 31 December 2022 required impairment.

### 9. Deferred tax

The amounts provided in respect of the deferred tax (liabilities)/assets are as follows:

	Employee benefits £m	Accelerated capital allowances £m	Total £m
At 1 January 2021	0.2	(0.4)	(0.2)
Charged to the consolidated income statement	(0.3)	(0.2)	(0.5)
<b>At 31 December 2021</b>	<b>(0.1)</b>	<b>(0.6)</b>	<b>(0.7)</b>
Charged to the income statement	(0.2)	(2.0)	(2.2)
Charged to the consolidated income statement	0.6	-	0.6
<b>At 31 December 2022</b>	<b>0.3</b>	<b>(2.6)</b>	<b>(2.3)</b>



**Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

**10. Inventories**

	<b>2022</b>	<b>2021</b>
	<b>£m</b>	<b>£m</b>
Raw materials and consumables	3.5	2.4
Work in progress	3.6	2.6
Finished goods	11.1	10.5
	<b>18.2</b>	<b>15.5</b>

Raw materials, consumables and changes in finished goods and work in progress recognised as cost of sales in the year amounted to £11.3 million (2021: £13.0 million). The write-down of inventories to net realisable value amounted to £15,000 (2021: £18,743). The write-down and reversal are included in cost of sales.

**11. Trade and other receivables**

	<b>2022</b>	<b>2021</b>
	<b>£m</b>	<b>£m</b>
<b>Non-Current</b>		
Amounts due from related parties (note 21)	44.4	38.5
	<b>44.4</b>	<b>38.5</b>
<b>Current</b>		
Trade receivables	3.5	3.7
Amounts due from related parties (note 21)	1.1	0.4
Other receivables	1.8	1.5
	<b>6.4</b>	<b>5.6</b>

Non-current amounts due from related parties represent unsecured loans, charged at a competitive interest rate of LIBOR plus 4%, repayable on demand. Current amounts owed by related parties refer to normal trading activity, incur no interest and are repayable on agreed terms, typically between 14 and 50 days. Trade receivables are stated after provisions for impairment of £nil (2021: £nil).

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 11. Trade and other receivables (continued)

The ageing of trade and other receivables at the end of the year and the expected credit loss rate (ECLR) was:

	2022								
	Trade receivables			Amounts due from related parties			Other receivables		
	Gross £m	Impairment £m	ECLR %	Gross £m	Impairment £m	ECLR	Gross £m	Impairment £m	ECLR
Not past due	3.5	-	-	45.5	-	-	0.2	-	-
Past due 0-30 days	-	-	-	-	-	-	-	-	-
Past due 31-90 days	-	-	-	-	-	-	-	-	-
More than 90 days	-	-	-	-	-	-	-	-	-
	<b>3.5</b>	-	-	<b>45.5</b>	-	-	<b>0.2</b>	-	-

	2021								
	Trade receivables			Amounts due from related parties			Other receivables		
	Gross £m	Impairment £m	ECLR %	Gross £m	Impairment £m	ECLR	Gross £m	Impairment £m	ECLR
Not past due	3.7	-	-	38.9	-	-	1.5	-	-
Past due 0-30 days	-	-	-	-	-	-	-	-	-
Past due 31-90 days	-	-	-	-	-	-	-	-	-
More than 90 days	-	-	-	-	-	-	-	-	-
	<b>3.7</b>	-	-	<b>38.9</b>	-	-	<b>1.5</b>	-	-

The receivables not yet due after impairment losses as of the end of the year are deemed to be collectible on the basis of established credit management processes such as regular analyses of the credit worthiness of our customers and external credit checks where appropriate for new customers. At 31 December 2021 and 2022 there were no significant trade, related party or receivable balances classified as "not past due" that were subsequently impaired.

Due to global activities and diversified customer structure of the Group, the management considers that there is no significant concentration of credit risk (2021: nil).

During 2021 and 2022 there were no significant trade balances that were subject to material renegotiation of terms.

The concentration of credit risk for trade receivables at the balance sheet date by geographic region was:

	2022 £m	2021 £m
<b>Geographic region</b>		
Rest of Europe	0.9	0.3
America	1.8	2.7
Rest of World	0.8	0.7
	<b>3.5</b>	<b>3.7</b>

Movement in the allowance for impairment in respect of trade receivables during the year was as follows :

	Trade receivables £m
Balance at 1 January 2022	-
Impairment loss released	-
Allowance made during the year	-
<b>Balance at 31 December 2022</b>	<b>-</b>

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 11. Trade and other receivables (continued)

The allowance account for trade receivables is used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible; at that point the amounts considered irrecoverable are written off against the trade receivables directly.

The Group applies the forward-looking “expected credit loss (ECL) model in line with IFRS 9 in assessing the recoverability of trade receivables. The ECL is calculated considering past experiences and management’s estimate of future developments. Management expects no considerable change in the future market situation. Consequently, the future credit losses in the ECL model are in the same range as the credit losses experienced in the past years. This is regarded as the future expectation of the inherent credit risk of the not impaired trade and other receivables outstanding. The Group reviews the assumptions of the ECL model on a yearly basis.

All receivables as at 31 December 2021 and 2022 are deemed to have a low credit risk.

### 12. Cash and cash equivalents

	2022 £m	2021 £m
Cash and cash equivalents	5.4	5.9
	5.4	5.9

### 13. Trade and other payables: amounts due in less than one year

	2022 £m	2021 £m
Trade payables	2.7	2.6
Amounts due to related parties (note 21)	13.5	12.8
Right of use lease liabilities	0.2	0.3
Accruals and deferred income	5.5	4.2
Corporation tax - Group relief	5.7	5.3
	27.6	25.2

Amounts owed to related parties are unsecured, charged at a competitive interest rate of LIBOR plus 4%, have no fixed date of repayment and are repayable on demand. Amounts excluding loans refer to normal trading activity, incur no interest and are repayable on agreed terms, typically between 14 and 50 days.

### 14. Trade and other payables: amounts due in more than one year

	2022 £m	2021 £m
Right of use lease liabilities	0.1	0.2

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 15. Interest bearing loans and borrowings

This note provides information about the contractual terms of the Group's interest-bearing loans and borrowings, which are measured at amortised cost.

	2022 £m	2021 £m
Loans to related parties – amounts falling due after more than one year	44.4	38.5
Loans from related parties – amounts falling due within one year	(12.8)	(12.3)
Right of use lease liabilities – amounts falling due within one year	(0.2)	(0.3)
Right of use lease liabilities – amounts falling due after more than one year	(0.1)	(0.2)
	31.3	25.7

None of the above refers to convertible debt (2021: £nil).

#### Right of use lease liabilities

Right of use lease liabilities are payable as follows:

	Minimum lease payments		Interest		Principal	
	2022 £m	2021 £m	2022 £m	2021 £m	2022 £m	2021 £m
Less than one year	0.2	0.3	-	-	0.2	0.3
Between one and five years	0.1	0.2	-	-	0.1	0.2
	0.3	0.5	-	-	0.3	0.5

### 16. Employee benefits

#### Pension plans

The Group participates in a defined contribution pension scheme. The pension costs charge for the year represents contributions payable by the Group to this scheme and amounted to £0.7 million (2021: £0.5 million) of which £0.1 million (2021: £0.1 million) remained unpaid at the balance sheet date.

The majority of the Group's employees participate in the INEOS Chlor Pension Fund ("The Fund"). The Fund is administered by a group of trustees with assets being held separately from those of the Group. Members receive defined benefit pensions that are based on their length of service and final remuneration with INEOS Technologies Limited.

The most recent valuation for the plan was 4 May 2022.

#### Pension plan assumptions

The principal actuarial assumptions (expressed as weighted averages or ranges) at the year-end were as follows:

	2022	2021
<b>Major assumptions:</b>		
Rate of increase to pensions in payments	3.0%	3.0%
Discount rate for scheme liabilities	5.0%	1.9%
Inflation	3.2%	3.2%

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 16. Employee benefits (continued)

#### *Pension plan assumptions (continued)*

The assumptions relating to longevity underlying the pension liabilities at the reporting date are based on standard actuarial mortality tables and include an allowance for future improvements in longevity. The assumptions are equivalent to expecting a 65-year old to live for a number of years as follows:

- Current pensioner aged 65: male 21.93 years (2021: 21.18 years), female 24.11 years (2021: 24.49 years).
- Future retiree upon reaching 65: male 23.02 years (2021: 23.3 years), female 25.44 years (2021: 25.83 years).

The following table presents the sensitivity of the defined benefit obligation to each significant actuarial assumption:

	2022 £m	2021 £m
Discount rate: 1% decrease	3.4	7.8
Rate of inflation: 0.5% increase	0.5	2.6
One year increase in longevity for a member currently aged 65	0.6	1.5

The sensitivity to the inflation assumption change includes corresponding changes to the future salary increase and future pension increase assumptions where these assumptions are set to be linked to the inflation assumption.

#### History of plans

The history of the plans for the current and prior year is as follows:

#### *Consolidated balance sheet*

	2022 £m	2021 £m
Present value of the defined benefit obligation in respect of pension plans	(20.3)	(34.6)
Fair value of plan assets	19.3	35.0
<b>Net defined benefit (liability)/asset</b>	<b>(1.0)</b>	<b>0.4</b>

The Group expects to contribute £0.5 million to its funded defined benefit pension plans in the next financial year.

#### *Consolidated income statement*

	2022 £m	2021 £m
Current service cost	-	0.1
Interest cost on defined benefit obligation	0.7	0.5
Interest income on assets	(0.7)	(0.5)
	-	0.1

The expense is recognised in the following line items in the consolidated income statement:

	2022 £m	2021 £m
Cost of sales and administrative expenses	-	0.1
	-	0.1

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 16. Employee benefits (continued)

#### Consolidated statement of comprehensive income

The following income/(expense) items are recognised in the consolidated statement of comprehensive income:

	2022 £m	2021 £m
Remeasurement of defined benefit obligation	12.4	(0.7)
Return on plan assets greater than discount rate	(14.7)	0.9
	(2.3)	0.2

Movements in present value of defined benefit obligation:

	Total £m
At 1 January 2021	35.6
Current service cost	0.1
Interest cost on defined benefit obligation	0.5
<b>Remeasurement</b>	
Actuarial loss - demographic assumptions	0.8
Actuarial gain - financial assumptions	(0.1)
Disbursements from plan assets	(2.3)
<b>At 31 December 2021</b>	<b>34.6</b>
Current service cost	-
Interest cost on defined benefit obligation	0.7
<b>Remeasurement</b>	
Actuarial loss - demographic assumptions	1.0
Actuarial gain - financial assumptions	(14.1)
Experience loss	0.7
Disbursements from plan assets	(2.6)
<b>At 31 December 2022</b>	<b>20.3</b>

Disbursements from plan assets:

	Total £m
At 1 January 2021	34.4
Interest income on plan assets	0.5
Return on plan assets greater than discount rate	0.9
Employer contributions	1.4
Disbursements	(2.2)
<b>At 31 December 2021</b>	<b>35.0</b>
Interest income on plan assets	0.7
Return on plan assets lower than discount rate	(14.7)
Employer contributions	0.9
Disbursements	(2.6)
<b>At 31 December 2022</b>	<b>19.3</b>

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 16. Employee benefits (continued)

The fair value of the plan assets and the return on those assets were as follows:

	2022 £m	2021 £m
Cash and cash equivalents	0.1	0.3
Equities:	-	2.4
Bonds:		
- Corporate bonds	6.8	21.8
Property	-	0.4
Other	12.4	10.1
<b>Total plan assets</b>	<b>19.3</b>	<b>35.0</b>

There are no plans which hold investments in the Group's own financial instruments, or hold assets or property which are used by the Group.

### 17. Provisions

	Project warranties £m
<b>Balance at 1 January 2022</b>	<b>0.3</b>
Provision made during the year	-
<b>Balance at 31 December 2022</b>	<b>0.3</b>

Project warranties provide a minimum level of guaranteed performance under specific contracts for a finite period of time covering pieces of mechanical kit that have been supplied to the customer. Provisions are not discounted.

### 18. Capital and reserves

#### Share capital

	2022 £	2021 £
<b>Fully paid</b>		
7,817 (2019: 7,817) preference shares of 1p each	78	78
46,978 (2019: 46,978) 2005 business tracker shares of 1p each	470	470
21,483 (2019: 21,483) business tracker shares of 1p each	215	215
	<b>763</b>	<b>763</b>

The holders of preference shares are entitled to one vote per share at meetings of the Company. All other classes of share have no voting rights attached.

#### Share premium

The share premium account of £4.4 million (2021: £4.4 million) arose as a result of the acquisition of the Electrochemical Technology Business of INEOS ETB Limited.

#### Actuarial Reserve

Actuarial reserve relates to the re-measurement of defined benefit pension plans.

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 19. Financial instruments

#### Fair value of financial instruments

##### *Trade and other receivables*

The carrying amount of trade and other receivables generally approximates to fair value due to their short maturities. Where settlement is not due in the short term and where the effect is material, fair value is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

##### *Trade and other payables*

The carrying amount of trade and other payables generally approximates to fair value due to their short maturities. Where settlement is not due in the short term and where the effect is material, fair value is estimated as the present value of future cash flows discounted at the market rate of interest at the reporting date.

##### *Cash and cash equivalents*

The fair value of cash and cash equivalents is estimated as its carrying amount where the cash is repayable on demand. Where it is not repayable on demand then the fair value is estimated at the present value of future cash flows, discounted at the market rate of interest at the reporting date.

##### *Interest-bearing borrowings*

The fair value of the loans with related parties is the same as the carrying value.

##### *Right of use lease liabilities*

The fair value of right of use lease liabilities is the same as the carrying value.

##### *Fair values*

The fair values for each class of financial assets and financial liabilities together with their carrying amounts shown in the consolidated balance sheet are as follows:

	2022		2021	
	Carrying amount £m	Fair value £m	Carrying amount £m	Fair value £m
<b>Loans and receivables carried at amortised cost:</b>				
Trade receivables	3.5	3.5	3.7	3.7
Amounts due from related parties	54.5	54.5	38.9	38.9
Other receivables	0.2	0.2	1.5	1.5
<b>Loans and receivables</b>	<b>58.2</b>	<b>58.2</b>	<b>44.1</b>	<b>44.1</b>
Financial assets carried at amortised cost	5.4	5.4	5.9	5.9
<b>Total financial assets</b>	<b>63.6</b>	<b>63.6</b>	<b>50.0</b>	<b>50.0</b>
<b>Financial liabilities carried at amortised cost:</b>				
Trade payables	(2.7)	(2.7)	(2.6)	(2.6)
Amounts due to related parties	(13.5)	(13.5)	(12.8)	(12.8)
Accruals	(3.9)	(3.9)	(4.2)	(4.2)
Right of use lease liabilities	(0.2)	(0.2)	(0.5)	(0.5)
<b>Total financial liabilities</b>	<b>(20.3)</b>	<b>(20.3)</b>	<b>(20.1)</b>	<b>(20.1)</b>



## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 19. Financial instruments (continued)

#### Net gains and losses from financial instruments

Net gains and losses from financial instruments comprise the results of valuations, the amortisation of discounts, the recognition and derecognition of impairment losses, results from the translation of foreign currencies, interest, dividends and all effects on profit or loss of financial instruments.

Net gains from receivables and loans relate primarily to recognition and derecognition of impairment losses, results from the translation of foreign currencies and interest income.

Net losses from financial liabilities measured at amortised cost relate primarily to amortisation of discounts, results from the translation of foreign currencies, interest expense and other financing related expenses.

The following table shows the gross gains and losses during the year and on which financial instruments they arose:

	Loans and receivables		Liabilities carried at amortised cost	
	2022 £m	2021 £m	2022 £m	2021 £m
Interest income	2.1	1.4	-	-
Interest expense	-	-	0.5	(0.5)
Foreign exchange gains	0.2	(0.7)	-	-
<b>Net profit/(loss) result</b>	<b>2.3</b>	<b>0.7</b>	<b>(0.5)</b>	<b>(0.5)</b>
<b>Carrying value at 31 December</b>	<b>48.0</b>	<b>44.1</b>	<b>(16.4)</b>	<b>(15.9)</b>

#### Credit risk

##### Financial risk management

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

Group Treasury policy and objectives in relation to credit risk is to minimize the likelihood that the Group will experience financial loss due to counterparty failure and to ensure that in the event of a single loss, the failure of any single counterparty would not materially impact the financial wellbeing of the Group.

##### Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the demographics of the Group's customer base, including the default risk of the industry and country in which customers operate, as these factors may have an influence on credit risk. Management considers that there is no geographical concentration of credit risk. The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered or are adjusted accordingly. The Group's review includes external ratings, when available, and in some cases bank references. Purchase limits are established for each customer, which represent the maximum open amount without requiring approval. Customers that fail to meet the Group's benchmark creditworthiness may transact with the Group only on a prepayment basis.

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 19. Financial instruments (continued)

#### Credit risk (continued)

##### Exposure to credit risk

The carrying amount of financial assets represents the maximum credit exposure. Therefore, the maximum exposure to credit risk at the reporting date was the carrying amount of financial assets.

#### Liquidity risk

##### Financial risk management

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group. The Group's exposure to liquidity risk is limited by the fact that it operates with significant cash resources.

The Group forecasts on a regular basis the expected cash flows that will occur on a weekly and monthly basis. This information is used in conjunction with the weekly reporting of actual cash balances at bank in order to calculate the level of funding that will be required in the short and medium term.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the effect of netting agreements:

	2022					
	Carrying amount	Contractual cash flows	1 year or less	1 to < 2 years	2 to < 5 years	5 years and over
	£m	£m	£m	£m	£m	£m
<b>Non derivative financial liabilities</b>						
Trade payables	(2.7)	(2.7)	(2.7)	-	-	-
Amounts due to related parties	(13.5)	(13.5)	(13.5)	-	-	-
Right of use lease liabilities	(0.2)	(0.2)	(0.2)	-	-	-
Accruals	(3.9)	(3.9)	(3.9)	-	-	-
	<b>(20.3)</b>	<b>(20.3)</b>	<b>(20.3)</b>	-	-	-
	2021					
	Carrying amount	Contractual cash flows	1 year or less	1 to < 2 years	2 to < 5 years	5 years and over
	£m	£m	£m	£m	£m	£m
<b>Non derivative financial liabilities</b>						
Trade payables	(2.6)	(2.6)	(2.6)	-	-	-
Amounts due to related parties	(12.8)	(12.8)	(12.8)	-	-	-
Right of use lease liabilities	(0.5)	(0.5)	(0.3)	(0.2)	-	-
Accruals	(4.2)	(4.2)	(4.2)	-	-	-
	<b>(20.1)</b>	<b>(20.1)</b>	<b>(19.9)</b>	<b>(0.2)</b>	-	-

#### Market risk

##### Financial risk management

Market risk reflects the possibility that changes in precious metals prices, currency exchange rates or changes in interest rates will adversely affect the value of the Group's assets, liabilities or expected future cash flows.

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 19. Financial instruments (continued)

#### Market risk (continued)

##### Market risk - Foreign currency risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures against Sterling, primarily with respect to the US Dollar and the Euro.

Foreign exchange risk arises from future commercial transactions, and recognised assets and liabilities.

The Group's revenue is generated by sales in US Dollar, Euro and Sterling. The Group's functional currency is Sterling and therefore has some exposure to currency fluctuations against it. Underlying raw materials and cost of manufacture are spread across a range of currencies which results in some small foreign currency risk. The Group benefits from natural hedging, only to the extent that currencies in which net cash flows are generated from the Group's operations.

The foreign currency exposure where the Group's financial assets/(liabilities) are not denominated in the functional currency of the operating unit involved is shown below. Foreign exchange differences on retranslation of these assets and liabilities are taken to the consolidated income statement or the consolidated statement of other comprehensive income of the Group.

	2022 £m	2021 £m
Euros	15.0	15.2
U.S dollars	29.6	28.9
	44.6	44.1

#### Sensitivity analysis

A 10% percent weakening of the following currencies at 31 December would have increased/(decreased) equity and profit/(loss) by the amounts shown below. This calculation assumes that the change occurred at the reporting date and had been applied to risk exposures existing at that date.

This analysis assumes that all other variables, in particular other exchange rates and interest rates, remain constant. The analysis is performed on the same basis for the comparative year.

	Profit or loss	
	2022 £m	2021 £m
Euros	1.5	1.5
U.S dollars	3.0	2.9
	4.5	4.4

A 10% percent strengthening of the above currencies against sterling at 31 December would have had the equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remain consistent.

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 19. Financial instruments (continued)

#### Capital management

The Group's objectives for managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Group defines its capital employed of £60.4 million (2021: £50.6 million) as total equity of £60.4 million (2021: £50.6 million).

The Group has no external debt as at 31 December 2022 and 31 December 2021.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, issue new shares, raise new debt or sell assets to reduce debt. The ability of the Group to pay dividends and provide appropriate facilities to the Group is restricted by the terms of principal financing agreements to which members of the Group are party.

### 20. Capital commitments

Outstanding capital expenditure authorised by the Board and for which contracts had been placed as at 31 December 2022 by the Group amounted to £1.3 million (2021: £0.6 million).

### 21. Related parties

#### Related party transactions

Related parties comprise:

- Entities controlled by the shareholders of INEOS Limited, the ultimate parent company of INEOS Technologies (Holdings) Limited; and
- Key management personnel;

Mr J A Ratcliffe, Mr A C Currie and Mr J Reece are the shareholders of INEOS Limited. INEOS Limited provides operational management services to the Group through a management services agreement. INEOS Limited management fees of £455,717 (2021: £418,326) were charged to the consolidated income statement.

INEOS Limited owns and controls a number of operating subsidiaries that are not included in the INEOS Technologies (Holdings) Limited group, material transactions with related parties during the year were as follows -

	2022 Sales/cost recoveries to £m	2022 Expenses/cost recoveries from £m	2021 Sales/cost recoveries to £m	2021 Expenses/cost recoveries from £m
INOVYN ChlorVinyls Limited	5.4	(1.9)	5.3	(2.1)
INOVYN Sverige AB	0.2	-	1.0	-
INOVYN Manufacturing Belgium SA	1.2	(0.1)	0.8	-
INEOS Trading (Shanghai) Company Limited	-	(0.4)	-	(0.4)
INEOS Technologies SA	-	-	-	(2.0)
INOVYN Norge AS	-	-	0.8	-
INOVYN PRODUZIONE ITALIA S.R.L.	0.8	-	-	-
INOVYN Enterprises Limited	-	0.2	-	(0.2)
	7.6	2.6	7.9	(4.7)

## Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)

### 21. Related parties (continued)

#### Related party transactions (continued)

	Payables outstanding 2022 £m	Payables outstanding 2021 £m	Receivables outstanding 2022 £m	Receivables outstanding 2021 £m
NOVYN ChlorVinyls Limited	(0.4)	(0.3)	0.7	-
NOVYN Manufacturing Belgium SA	-	-	-	0.4
INEOS Industries Holdings Limited	-	-	38.7	33.2
INEOS Technologies SA	(12.8)	(12.3)	-	-
INEOS Trading (Shanghai) Company Limited	(0.1)	(0.1)	-	-
INEOS AG	-	-	5.7	5.3
NOVYN PRODUZIONE ITALIA S.R.L.	-	-	0.4	-
INEOS Limited	(0.1)	-	-	-
NOVYN Enterprises	(0.1)	(0.1)	-	-
	(13.5)	(12.8)	45.5	38.9

#### Compensation to key management personnel (including directors)

The Group defines key management as the directors of the Company. Details of Directors' remuneration are given in Note 4.

### 22. Ultimate parent undertaking and controlling party

The immediate and ultimate parent undertaking at 31 December 2022 was INEOS Limited, a company registered in the Isle of Man.

The directors regard Mr J A Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in the ultimate parent undertaking, INEOS Limited.

## **Notes to the consolidated financial statements for the year ended 31 December 2022 (continued)**

### **23. Critical accounting judgements and key sources of estimation uncertainty**

The Group prepares its consolidated financial statements in accordance with IFRSs, which require management to make judgements, estimates and assumptions which affect the application of the accounting policies, and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates change and in any future periods.

#### **Critical judgements in applying the Group's accounting policies**

The directors do not consider there to be any critical judgements, apart from those involving estimations, which are presented separately below.

#### **Key sources of estimation uncertainty**

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

#### **Post-retirement benefits**

The Group operates a defined benefit pension scheme. The plan is now closed to new entrants and frozen to future accrual. Under IAS 19 Revised Employee Benefits, management is required to estimate the present value of the future defined benefit obligation of each defined benefit scheme. The costs and year end obligations under the defined benefit scheme are determined using actuarial valuations. The actuarial valuations involve making numerous assumptions, including:

- Future rate of increase in salaries;
- Inflation rate projections; and
- Discount rate for scheme liabilities; and
- Expected rates of return on the scheme assets

Details of post-retirement benefits including the major actuarial assumptions and the sensitivity of the post-retirement benefits to the assumptions are set out in Note 16.

## **Section 3 - Company Financial Statements**

**Company Balance sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Non-current assets</b>			
Investments	4	1,795	1,795
Trade and other receivables: amounts falling due after more than one year	5	5,662,999	5,346,308
<b>Total non-current assets</b>		<b>5,664,794</b>	<b>5,348,103</b>
<b>Current assets</b>			
Cash at bank and in hand		12,771	12,801
<b>Current liabilities</b>			
Trade and other payables: amounts falling due within one year	6	(5,662,419)	(5,345,728)
<b>Net current liabilities</b>		<b>(5,649,648)</b>	<b>(5,332,927)</b>
<b>Total assets less current liabilities</b>		<b>15,146</b>	<b>15,176</b>
<b>Net assets</b>		<b>15,146</b>	<b>15,176</b>
<b>Capital and reserves</b>			
Share capital	7	763	763
Retained earnings	8	14,383	14,413
<b>Total shareholder's funds</b>		<b>15,146</b>	<b>15,176</b>

The Company reported a loss for the financial year of £30 (2021: £30)

The notes on pages 48 to 52 are an integral part of the company financial statements.

These financial statements on pages 46 to 47 were approved by the Board of Directors and authorised for issue on 2 October 2023 and signed on its behalf by:



D J Horrocks  
Director

INEOS Technologies (Holdings) Limited

Registered number: 06716202



**Company Statement of changes in equity for the year ended 31 December 2022**

	Note	Share capital £	Retained earnings £	Total shareholders' funds £
<b>Balance at 1 January 2021</b>		763	14,443	15,206
Loss for the financial year and total comprehensive expense	8	-	(30)	(30)
<b>Balance at 31 December 2021 and 1 January 2022</b>		763	14,413	15,176
Loss for the financial year and total comprehensive expense	8	-	(30)	(30)
<b>Balance at 31 December 2022</b>		<b>763</b>	<b>14,383</b>	<b>15,146</b>

## **Notes to the company financial statements for the year ended 31 December 2022**

### **1. Accounting policies**

#### **Overview**

INEOS Technologies (Holdings) Limited (the “Company”) is a privately owned company incorporated in the United Kingdom and registered in England and Wales, having its registered office at Bankes Lane Office, Bankes Lane, PO Box 9, Runcorn, Cheshire, United Kingdom, WA7 4JE.

The Company was incorporated on 6 October 2008. On 10 October 2008 the Company acquired, by way of a share for share exchange, all of the issued voting share capital of INEOS Technologies Limited; the non-voting share capital was also acquired by way of a share for share exchange in November 2008.

#### **Basis of accounting**

The financial statements have been prepared in accordance with applicable accounting standards, on a going concern basis and under the historical cost accounting rules.

Under section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own income statement.

The Company financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 as applicable to companies using Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”).

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of transactions with wholly owned subsidiaries;
- disclosures in respect of capital management;
- financial instrument disclosures are required by IFRS 7;
- the effects of new but not yet effective IFRSs; and
- disclosures in respect of the compensation of Key Management Personnel.

The accounting policies set out below have, unless otherwise stated, been applied consistently in these company financial statements.

#### **Measurement convention**

The financial statements are prepared on the historical cost basis. No assets or liabilities are stated at fair value.

#### **Functional and presentation currency**

These Company financial statements are presented in sterling, which is the functional currency of the majority of operations.

#### **Investments**

Investments in subsidiaries, associates and joint ventures are stated at cost less, where appropriate, provisions for impairment.

## Notes to the company financial statements for the year ended 31 December 2022 (continued)

### 1. Accounting policies (continued)

#### Basic financial instruments

##### *Trade and other debtors / creditors*

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

##### *Interest-bearing borrowings classified as basic financial instruments*

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

##### *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

#### Impairment of Financial assets

##### *Trade and other receivables*

The Company applies the simplified approach when providing for expected credit losses prescribed by IFRS 9 for its trade receivables and contract assets. This approach requires the Company to recognise the lifetime expected loss provision for all trade receivables taking in consideration historical as well as forward-looking information.

Financial assets which are considered low risk are not provided for impairment by the Company.

An impairment loss in respect of a receivable carried at amortised cost is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised.

##### **Impairment of non-financial assets excluding inventories and deferred tax assets**

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are assessed at the end of the reporting period to determine whether there is any indication of impairment.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

##### *Calculation of recoverable amount*

The recoverable amount is the greater of fair value less cost to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

##### *Reversals of impairment*

An impairment loss in respect of goodwill is not reversed.

## Notes to the company financial statements for the year ended 31 December 2022 (continued)

### Impairment of non-financial assets excluding inventories and deferred tax assets (continued)

In respect of other assets, an impairment loss is reversed when there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

### 2. Staff numbers and costs

There were no employees with contracts of employment in the name of the Company (2021: none).

### 3. Directors' remuneration

None of the directors received any fees or remuneration for services as a director of the Company during the financial year (2021: none). Their emoluments were borne by companies in the wider Group.

### 4. Investments

The subsidiary undertakings of the Company and the percentage of share capital held are set out below. The principal country of operation is generally indicated by the Company's country of incorporation or by its name.

	Country of incorporation	Class of shares held	Ownership	
			2022	2021
INEOS Technologies Limited	United Kingdom	Various*	100%	100%

\* The share capital of the subsidiary is formed by ordinary preference shares, business tracker shares, 2005 business tracker shares and non-voting preference shares. Registered office of INEOS Technologies Limited is, 44 Esplanade, St Helier, Jersey, JE4 9WG.

INEOS Technologies Limited licenses and manufactures electrolyzers for the Chlor-alkali industry.

	Subsidiaries
Cost and carrying value	£
At 1 January 2022	1,795
At 31 December 2022	1,795

**Notes to the company financial statements for the year ended 31 December 2022 (continued)**

**5. Trade and other receivables: amounts falling due after more than one year**

	2022	2021
	£	£
Amount owed by related parties	5,662,999	5,346,308
	<u>5,662,999</u>	<u>5,346,308</u>

Amounts owed by related parties are unsecured, charged at a competitive interest rate of 0.75% and are repayable on demand.

**6. Trade and other payables: amounts falling due within one year**

	2022	2021
	£	£
Amount owed to group undertakings	(5,662,419)	(5,345,728)
	<u>(5,662,419)</u>	<u>(5,345,728)</u>

Amounts owed by related parties are unsecured, charged at a competitive interest rate of 0.75% and are repayable on demand.

**7. Share capital**

	2022	2021
	£	£
<b>Fully paid</b>		
7,817 (2021: 7,817) preference shares of 1p each	78	78
46,978 (2021: 46,978) 2005 business tracker shares of 1p each	470	470
21,483 (2021: 21,483) business tracker shares of 1p each	215	215
	<u>763</u>	<u>763</u>

The holders of preference shares are entitled to one vote per share at meetings of the Company. All other classes of share have no voting rights attached.

**Notes to the company financial statements for the year ended 31 December 2022 (continued)**

**8. Retained earnings**

	2022 £	2021 £
At 1 January	14,413	14,443
Loss for the financial year	(30)	(30)
<b>At 31 December</b>	<b>14,383</b>	<b>14,413</b>

The directors of the Company have not proposed a dividend for the year (2021: £nil).

Auditors' remuneration for the statutory audit of the company for the year was £1,236 payable to Deloitte LLP (2021: £1,200).

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

The immediate parent undertaking at 31 December 2022 was INEOS AG, a company registered in Switzerland. The ultimate parent undertaking at 31 December 2022 was INEOS Limited, a company registered in the Isle of Man.

The directors regard Mr J A Ratcliffe to be the ultimate controlling party by virtue of his majority shareholding in the ultimate parent undertaking, INEOS Limited.

The only group in which the results of the Company are consolidated is that presented herein headed by INEOS Technologies (Holdings) Limited.

**10. Critical accounting judgements and key sources of estimation uncertainty**

There are no critical accounting judgements made or key sources of estimation uncertainty in these company financial statements.