

AB SUGAR CHINA LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

17 September 2022

(Registered Number: 9469163)



AB SUGAR CHINA LIMITED

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AB SUGAR CHINA LIMITED

Company Information

Directors

MI Carr
C Noble

Business Address

1 Samson Place
London Road
Hampton
Peterborough
PE7 8QJ

Registered Office

Weston Centre
10 Grosvenor Street
London
W1K 4QY

AB SUGAR CHINA LIMITED

Strategic Report

The directors present their Strategic Report for the 55-week period ended 17 September 2022.

Review of the business

AB Sugar China Limited ("the Company") is a wholly owned subsidiary of Associated British Foods plc ("ABF") and forms part of that company's sugar division. The Company's principal activity is that of an investment company, although the Company disposed of all its investments in the prior period, it is anticipated that future investments will be made.

Results and performance

The Company's result for the period is reflected in the profit and loss account on page 6. The loss on ordinary activities after taxation amounted to CNY 160,000 (2021: loss of CNY 27,000). No dividends were declared or paid in the period (2021: CNY Nil).

Principal risks and uncertainties

Foreign exchange risk

The company's functional currency is Chinese renminbi and it has intercompany receivables denominated in sterling, it is therefore exposed to moving exchange rates.

Average and period end exchange rates for this currency against sterling were:

| Average | | Period end | |
|---------|--------|------------|--------|
| 2022 | 2021 | 2022 | 2021 |
| 0.1186 | 0.1123 | 0.1250 | 0.1124 |

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a wholly owned subsidiary, are disclosed on pages 94 to 101 of the 2022 Annual Report, which is available at www.abf.co.uk.

Engaging with our stakeholders – Section 172 Statement

The directors are required to act in a way which they consider, in good faith, is most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, have regard (amongst other matters) to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The Company is a subsidiary of Associated British Foods plc and, as such, the Company has adopted and directors have due regard to applicable group policies and procedures which impact on the Company's stakeholders, including those referred to on page 71 of the Associated British Foods plc Annual Report and Accounts 2022. Please also see the Associated British Foods plc Section 172 Statement on pages 64 to 68 of that document.

Stakeholders and engagement

The key stakeholders with whom engagement is fundamental to the Company's ongoing success are:

- fellow companies in the Associated British Foods plc group; and
- its shareholder

Group companies

The Company forms part of the group of companies headed by Associated British Foods plc and the Company's accounts are consolidated into the Associated British Foods plc accounts. Group companies can provide financial and other support to the Company and the sharing of best practice and know-how between the businesses within the broader group is actively encouraged. The Company is kept up to date on key business activities and decisions of group companies and provides all necessary support.

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Shareholder

The Company takes appropriate steps to ensure that its shareholder is kept up to date on key business activities and decisions.

By Order of the Board

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

C Noble
Director

Date: 21 /12/2022

AB SUGAR CHINA LIMITED

Directors' Report

The directors present their Annual Report and the audited financial statements for the 55-week period ended 17 September 2022.

Dividends

No dividends were declared and paid in respect of the period ended 17 September 2022 (2021: nil).

Directors and employees

Details of the number of employees and related costs can be found in Note 4 to the financial statements.

The directors of the Company who held office during the period were:

MI Cai

C Noble (appointed on 6 September 2021)

ZYJ Hanslip (resigned on 6 September 2021)

Directors' liability insurance

During the 55-week period ended 17 September 2022, the directors of the Company benefited from the ABF group's Directors and Officers insurance policy, as permitted by section 233 of the Companies Act 2006.

Principal risks and uncertainties

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a wholly owned subsidiary, are disclosed on pages 94 to 101 of the 2022 Annual Report, which is available at www.abf.co.uk.

Going concern

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of twelve months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out in the Annual Report and Accounts dated 8 November 2022 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to 2 March 2024, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

Auditor

The Company is exempt from the requirements of the Companies Act 2006 (the 'Act') relating to the audit of individual accounts pursuant to section 479A of the Act.

Energy usage

The directors consider the Company to be a low energy user. For further information please refer to full disclosures made in the Associated British Foods plc annual report for the year ended 17 September 2022.

By Order of the Board


C Noble

Director

Date:

21/12/2022

AB SUGAR CHINA LIMITED

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice).

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

AB SUGAR CHINA LIMITED

Profit and loss account

for the 55 weeks ended 17 September 2022

| | | 55 weeks ended 17 September 2022 CNY'000 | 52 weeks ended 28 August 2021 CNY'000 |
|--|-------------|---|--|
| | Note | | |
| Other (losses) | 5 | (160) | (27) |
| (Loss) on ordinary activities before taxation | | (160) | (27) |
| Tax | 6 | - | - |
| (Loss) for the period | | (160) | (27) |

The Notes on pages 9 to 12 form part of these financial statements.

There are no recognised gains or losses other than the loss for the current period and profit for the prior period hence no statement of comprehensive income is presented for either the current or prior period.

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Balance sheet

at 17 September 2022

| | Note | 17 September 2022 CNY'000 | 28 August 2021 CNY'000 |
|-----------------------------------|------|------------------------------|---------------------------|
| Debtors | 7 | 1,320 | 1,480 |
| Total current assets | | 1,320 | 1,480 |
| Total net assets | | 1,320 | 1,480 |
| Capital and reserves | | | |
| Called up share capital | 8 | 1,000 | 1,000 |
| Profit and loss account | | 320 | 480 |
| Total shareholders' equity | | 1,320 | 1,480 |


The Notes on pages 9 to 12 form part of these financial statements.

For the year ended 17 September 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

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

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

The financial statements were approved by the Board on 21 December 2022 and signed on its behalf by:


C Noble
Director

AB SUGAR CHINA LIMITED

Statement of changes in shareholders' equity

for the 55 weeks ended 17 September 2022

| | Note | Called up share capital CNY'000 | Profit and loss account CNY'000 | Total Shareholders' equity CNY'000 |
|-----------------------------|------|--|--|---|
| At 29 August 2020 | | 1,000 | 507 | 1507 |
| Loss for the period | | - | (27) | (27) |
| At 28 August 2021 | | 1,000 | 480 | 1,480 |
| Loss for the period | | - | (160) | (160) |
| At 17 September 2022 | | 1,000 | 320 | 1,320 |

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Notes to the financial statements

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of AB Sugar China Limited (the "Company") for the period ended 17 September 2022 were authorised for issue by the board of directors on December 2022. The Company is a private company limited by shares incorporated and domiciled in England and Wales.

As set out in Note 3, these financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and in accordance with applicable accounting standards. The Company's financial statements are presented in renminbi and all values are rounded to the nearest thousand renminbi (CNY'000) except when otherwise indicated.

The Company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Associated British Foods plc ("ABF"). The results of the Company are included in the consolidated financial statements of ABF which are available from Weston Centre, 10 Grosvenor Street, London W1K 4QY.

The principal accounting policies adopted by the Company are set out in Note 3.

2. Accounting reference date

The accounting reference date of the Company is 15 September in each year. In accordance with section 390(3) of the Companies Act 2006, these financial statements have been prepared for the 55 weeks ended 17 September 2022.

3. Accounting policies

The following accounting policies have been applied consistently, to all periods presented, in dealing with items which are considered material to the financial statements:

Basis of preparation: (i) Disclosure exemptions

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

- the requirements of IAS 7 *Statement of Cash Flows*;
- the requirements of paragraphs 17 and 18A of IAS 24 *Related Party Disclosures* in respect of disclosure of key management personnel compensation;
- the requirements in IAS 24 *Related Party Disclosures* to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- the requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 *Impairment of Assets* which deal with certain assumptions and sensitivities significant for an impairment review;
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* which deals with IFRSs issued but not yet effective; and
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 *Presentation of Financial Statements*.

Other exemptions are available under FRS 101 but these have not been set out above as they are not relevant to the Company's financial statements.

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Notes to the financial statements (continued)

Accounting policies (continued)

Basis of preparation: (ii) Going concern

As set out in note 10, the smallest group in which the results of the Company are consolidated is that headed by Associated British Foods plc, which confirmed in the Annual Report and Accounts dated 8 November 2022 that its directors have a reasonable expectation that the Associated British Foods plc group has adequate resources to continue in operational existence for the foreseeable future.

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of 12 months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out in the Annual Report and Accounts dated 8 November 2022 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to 2 March 2024, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

Basis of preparation: (iii) Other

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

Fixed asset investments

Unlisted investments are stated at cost, less any provision for impairment. The carrying amounts of the Company's investments are reviewed for impairment at least annually and when events or changes in circumstances indicate that the carrying amount of the investment may not be recoverable. If any such indication exists, the investment's recoverable amount is estimated and an impairment loss is recognised in the profit and loss account whenever the recoverable amount of an asset is lower than its carrying amount. The recoverable amount of an investment is the greater of the net realisable value of the investment and its value in use. In assessing value in use, the expected 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 investment.

Foreign currencies

The Company's functional currency is Chinese renminbi. Transactions in foreign currencies are translated into renminbi at the rate ruling on the day of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rate prevailing at the balance sheet date. Any resulting differences are taken to the profit and loss account.

Taxation

The charge for taxation is based on the profit for the period. Deferred taxation is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date. The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred tax assets and liabilities are presented on a net basis in the balance sheet as they relate to income taxes levied by the same taxation authority.

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Notes to the financial statements (continued)

4. Directors and employees

The directors received no fees or emoluments during the period that were directly attributable to their position within the Company (2021: £nil).

The average monthly number of employees, all being directors, of the Company during the period was 2 (2021:2).

5. Other gains or losses

| | 17 September 2022 CNY'000 | 28 August 2021 CNY'000 |
|--|---------------------------------|------------------------------|
| Exchange (loss) on amounts owed from group undertaking | (160) | (27) |
| | (160) | (27) |

6. Taxation

The tax assessed for the period is less than the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%) and can be reconciled as follows.

| | 55 week period to 17 September 2022 CNY'000 | 52 week period to 28 August 2021 CNY'000 |
|--|---|--|
| (Loss) on ordinary activities before tax | (160) | (27) |
| Current tax at effective rate of 19.00% (2021: 19.00%) | 30 | 5 |
| <i>Effects of:</i> | | |
| Group relief received for nil consideration | (30) | (5) |
| Total tax credit | - | - |

The UK corporation tax rate of 19% is set to increase to 25% from 1 April 2023. The legislation to effect these changes was enacted before the balance sheet date and deferred tax has been calculated accordingly.

7. Debtors

| | 17 September 2022 CNY'000 | 28 August 2021 CNY'000 |
|-----------------------------------|---------------------------------|------------------------------|
| Amounts due by group undertakings | 1,320 | 1,480 |
| | 1,320 | 1,480 |

The fair values of these debtors approximate their book values.

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Notes to the financial statements (continued)

8. Called up share capital

| | 2022 | | 2021 | |
|--|---------------------|------------------|---------------------|------------------|
| | Number of shares | Value CNY'000 | Number of shares | Value CNY'000 |
| Issued and fully paid: | | | | |
| Ordinary shares of CNY 0.00826446 each | 121,000,001 | 1,000 | 121,000,001 | 1,000 |

9. Related party transactions

The Company, being a wholly owned subsidiary of ABF, has taken advantage of the IAS 24 *Related Party Disclosures* exemption not to disclose related party transactions with other entities in the same group.

10. Holding company

The ultimate parent company is Wittington Investments Limited, which is incorporated in the United Kingdom and registered in England and Wales.

The largest group of undertakings for which group accounts are drawn up (within which the results of the Company are consolidated) and of which the Company is a member is headed by Wittington Investments Limited. The smallest such group of undertakings is headed by Associated British Foods plc, which is incorporated in the United Kingdom and registered in England and Wales.

The consolidated accounts of these groups are available to the public and may be obtained from Weston Centre, 10 Grosvenor Street, London, W1K 4QY, which is the registered office of each of Wittington Investments Limited and Associated British Foods plc. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.