

Huhtamaki Holding I Limited

Annual Report and Financial Statements

for the year ended 31 December 2021

Registered No: 11999560



Huhtamaki Holding I Limited

**Annual report and financial statements
For the year ended 31 December 2021**

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Huhtamaki Holding I Limited

Directors and advisers

Directors

P Covill
L Kuusikoski

Registered office

Crompton House
Nuttalls Way
Shadsworth Business Park
Blackburn
BB1 2JT

Registered Auditors

KPMG LLP
2 Forbury Place
33 Forbury Road
Reading
RG1 3AD

Huhtamaki Holding I Limited

**Strategic report
for the year ended 31 December 2021**

Principal activities

The principal activity of the Company in the year was the holding of investments in subsidiary companies.

Business review and results for the period

The business was incorporated on the 16 May 2020. The loss for the year after taxation is \$79k (profit 2020: \$407k) which relates to the impairment charge recorded against an investment. The directors do not propose the payment of a dividend.

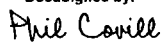
Key performance indicators

As the Company's principal activity is that of a holding company, the directors do not consider KPIs appropriate to the management of the business.

Principal risks and uncertainties

The management of the business is subject to a number of potential risks and uncertainties. These could have a material impact on the Company's long term performance and could cause actual results to differ materially from expected and historical results. The key area of risk to the business is the risk of deterioration in business performance of its group undertakings which may have an adverse effect on the carrying value of the Company's investments.

On behalf of the board

DocuSigned by:

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**P Covill
Director**

Date: 21st December 2022

Registration No: 11999560

Huhtamaki Holding I Limited**Directors' report
for the year ended 31 December 2021**

The directors present herewith their report for the year ended 31 December 2021.

Directors

The Directors who held office during the year and up to the date of signature of the financial statements were as follows

C Doherty (resigned 05/05/22)
P Covill (appointed 25/05/22)
L Kuusikoski

Directors' liabilities

The Company has indemnified one or more Directors of Huhtamaki Holding I Limited against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision was in force during the year and remains in place to the date of this report.

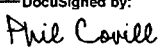
Principal Activity

During the year ended 31 December 2021, the company's principal activity was that of a holding company for investments in subsidiary companies. However, the Directors took the decision in 2021 to cease trading following the divestment of the subsidiary companies. As the Directors intend to liquidate the company following the settlement of the remaining assets, they have not prepared the financial statements on a going concern basis. The effect of this is explained in note 2.1.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware; and each director has taken all the steps that he ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board

DocuSigned by:

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P Covill
Director

Date: 21st December 2022

Registration No: 11999560

Huhtamaki Holding I Limited**Statement of directors' responsibilities in respect of the Annual Report and Financial Statements**

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), 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 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;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so (as explained in note 2.1, the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis).

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.

Independent auditor's report to the members of Huhtamaki Holding I Limited

Opinion

We have audited the financial statements of Huhtamaki Holding I Limited ("the Company") for the year ended 31 December 2021 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet and related notes, including the accounting policies in note 2.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2021 and of its result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework* and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter - non-going concern basis of preparation

We draw attention to the disclosure made in note 2.1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reasons set out in that note. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading board minutes.

We did not identify any fraud risks as a result of these procedures.

We remained alert to any indications of fraud throughout the audit.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards) and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies' legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

The Company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit

procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on page 4, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

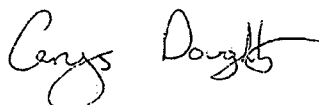
Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.



Cerys Doughty (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants

2 Forbury Place
33 Forbury Road
Reading
RG1 3AD

Date: 22 December 2022

Huhtamaki Holding I Limited
Income statement
for the year ended 31 December 2021

Registered No: 11999560

	Note	Year ended 2021 \$'000	Year ended ended 2020 \$'000
Administrative expenses		(19)	-
Impairment charge on investment	8	407	(407)
Loss on disposal of investment	8	(407)	-
Interest payable and related costs	6	(36)	-
Exchange difference		(24)	-
Loss on ordinary activities before taxation		(79)	(407)
Tax charge on profit on ordinary activities	7	-	-
Retained loss for the year / period		(79)	(407)

All the Company's results were attributable to continuing activities.

There are no recognised gains or losses other than the results shown in the Income Statement for the year ended 31 December 2021 or 31 December 2020, therefore a Statement of Other Comprehensive Income has not been prepared.

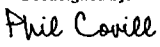
The notes on page 10 to 14 form part of these financial statements.

Huhtamaki Holding I Limited**Balance sheet
at 31 December 2021****Registered No: 11999560**

	Note	Year ended 2021 \$'000	Year ended 2020 \$'000
Fixed assets			
Investments	8	<u>15,827</u>	<u>15,845</u>
Current assets			
Cash at bank and in hand		<u>20</u>	<u>2</u>
Net current assets		<u>15,847</u>	<u>2</u>
Current liabilities			
Corporation tax payable		-	1,141
Amounts owed to group undertakings		1,620	400
Total assets less current liabilities		<u>14,227</u>	<u>14,306</u>
Net assets		<u>14,227</u>	<u>14,306</u>
Capital and reserves			
Called up share capital	9	-	-
Retained earnings		<u>14,227</u>	<u>14,306</u>
Total Equity		<u>14,227</u>	<u>14,306</u>

The notes on page 10 to 14 form part of these financial statements.

These financial statements were approved by the board of directors on 21st December 2022 and were signed on its behalf by:

DocuSigned by:

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**P Covill
Director**

Huhtamaki Holding I Limited**Statement of changes in equity
for year ended 31 December 2021**

	<i>Share Capital</i>	<i>Share Premium</i>	<i>Retained Earnings</i>	<i>Total</i>
	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>	<i>\$000</i>
At 31 December 2019	-	-	14,713	14,713
Loss for the period	-	-	(407)	(407)
At 31 December 2020	-	-	14,306	14,306
Loss for the year			(79)	(79)
At 31 December 2021	-	-	14,227	14,227

The notes on page 10 to 14 form part of these financial statements.

Huhtamaki Holding I Limited**Notes to the financial statements for the year ended 31 December 2021****1. Authorisation of financial statements and statement of compliance with FRS 101**

The financial statements of Huhtamaki Finance Limited (the "Company") for the year ended 31 December 2021 were authorised for issue by the board of directors on the date shown on the balance sheet and were signed on the board's behalf by those named on the balance sheet. Huhtamaki Holding I Limited is incorporated and domiciled in England and Wales.

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 US Dollars and all values are rounded to the nearest thousand dollars (\$000) except when otherwise indicated.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements as it is a wholly owned subsidiary of Huhtamaki S a.r.l. These financial statements present information about the Company as an individual undertaking and not about its group.

The results of Huhtamaki Holding S a.r.l are included in the consolidated financial statements of Huhtamaki Oyj which are available from Miestentie 9, FI-02150 Espoo, Finland.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies**2.1 Basis of preparation**

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 31 December 2021.

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

- (a) The requirements of IAS 7 Statement of Cash Flows;
- (b) The requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (c) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of the group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member. The consolidated financial statements of Huhtamaki Oyj, within which this company is included, can be obtained from the address given in note 13.
- (d) The requirements of IFRS 7 Financial Instruments: Disclosures, the equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.
- (e) The requirement of paragraph 38 of IAS 1 Presentation of Financial Statements.

Going Concern

The Directors took the decision in 2021 to cease trading following the divestment of the subsidiary companies. As the Directors intend to liquidate the company following the settlement of the remaining assets and signing of the 2020 accounts, they have not prepared the financial statements on a going concern basis.

The Directors expected that the liquidation would happen by the end of 2022, barring any unforeseen circumstances, however due to tax losses the companies are being retained until these are used and then liquidated. All assumptions and methods used to measure the assets and liabilities have been kept the same due to the nature of the balances being that of group related. The ultimate parent undertaking has indicated its willingness to continue to provide financial support to the Company for the foreseeable future until liquidation occurs.

Huhtamaki Holding I Limited**Notes to the financial statements for the year ended 31 December 2021 (continued)****2. Accounting policies (continued)****2.2 Judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Company makes an estimate of the asset's recoverable amount in order to determine the extent of the impairment loss. An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses on continuing operations are recognised in the income statement in those expense categories consistent with the function of the impaired asset.

For assets where an impairment loss subsequently reverses, the carrying amount of the asset or cash generating unit is increased to the revised estimate of its recoverable amount, not to exceed the carrying amount that would have been determined, net of depreciation, had no impairment losses been recognised for the asset or cash generating unit in prior years. A reversal of impairment loss is recognised immediately in the income statement, unless the asset is carried at a revalued amount when it is treated as a revaluation increase.

2.3 Significant Accounting Policies**Investments in subsidiaries**

Investments in subsidiaries, associates and joint ventures are held at historical cost less any applicable provision for impairment.

Foreign currency translation

The company's financial statements are presented in sterling, which is also the company's functional currency.

Transactions in foreign currencies are initially recorded in the entity's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the income statement.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Huhtamaki Holding I Limited**Notes to the financial statements for the year ended 31 December 2021 (continued)****Taxation**

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the profit and loss account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income. For income tax arising on dividends, the related tax is recognised in the income statement, statement of other comprehensive income, or in equity consistently with the transactions that generated the distributable profits.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

3. Expenses and auditor's remuneration

Auditors' remuneration for these financial statements is £10,000.

4. Employees

The Company has no employees other than Directors, who did not receive any remuneration.

Huhtamaki Holding I Limited**Notes to the financial statements for the year ended 31 December 2021 (continued)****5. Interest payable and related costs**

	Year ended 2021 \$'000	Year ended 2020 \$'000
Interest payable to HMRC	<u>36</u>	<u>-</u>

6. Interest receivable

	Year ended 2021 \$'000	Year ended 2020 \$'000
Interest receivable to group undertakings	<u>-</u>	<u>-</u>

7. Taxation

	Year ended 2021 \$'000	Year ended 2020 \$'000
Total tax payment	<u>-</u>	<u>-</u>
	2021 \$'000	2020 \$'000
Profit before taxation	<u>(79)</u>	<u>(407)</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19%	-	-
Income not taxable for tax purposes	-	-
Expenses not deductible for tax purposes	79	407
CFC tax payable	<u>-</u>	<u>-</u>
Taxation for the year / period	<u>-</u>	<u>-</u>

At 31 December 2021 there is an unrecognised deferred tax asset of \$1.9m (2020: \$1.6m) arising from non-trade relationship loans.

Factors that may affect future tax charges

Since the reporting date, the UK Government has announced that the UK corporation tax reduction will not go ahead and remain at 19%. The effect of this change will be reflected in the financial statements once it is enacted.

These changes are not expected to have any significant impact on the balances or disclosures within the financial statements.

Huhtamaki Holding I Limited
Notes to the financial statements for the year ended 31 December 2021 (continued)

8. Investments

	Shares in group undertakings \$'000
Cost:	
At 1 January 2021	16,252
Additions	
Disposals	(425)
At 31 December 2021	<u>15,827</u>
Impairment provision:	
At 1 January 2021	(407)
Reversal of charge in the year	407
At 31 December 2021	<u>-</u>
Net book value	
At 1 January 2021	<u>15,845</u>
At 31 December 2021	<u>15,827</u>

The Company has the following investments, representing 100% of the share capital of the following companies.

<u>Name of undertaking</u>	<u>Shares held</u>
Huhtamaki Holding II Limited	1 ordinary US\$1 shares

The company had recorded an impairment provision of \$407k against the carrying value of its investment in Huhtamaki Ireland Unlimited Company, based on the liquidation of the company in May 2021.

Huhtamaki Holding II Limited is incorporated in UK and acts as a holding company for loans.

9. Called up share capital

	Year ended 2021 \$	Period ended 2020 \$
Allotted, called up and fully paid		
3 ordinary shares of \$1 each	<u>3</u>	<u>3</u>

10. Ultimate parent undertaking and immediate parent company

The Company's immediate parent company is Huhtamaki Holding S.a.rl, incorporated in the Netherlands.

The Company is a subsidiary of Huhtamaki Oyj, incorporated in Finland which is considered to be the ultimate parent company and controlling party. The only group in which the results of the Company are consolidated is that headed by Huhtamaki Oyj. The consolidated financial statements of this company are available to the public and may be obtained from Huhtamaki Oyj, Miestentie 9, FI-02150 Espoo, Finland.