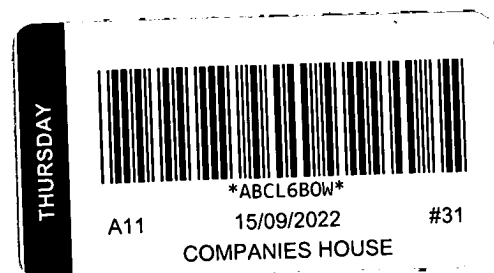


Registered number: 00915516

**BRENNTAG INORGANIC CHEMICALS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2021**



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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	R Argo M Gratton R Ward (resigned 6 May 2022)
<b>COMPANY SECRETARY</b>	M Gratton
<b>REGISTERED NUMBER</b>	00915516
<b>REGISTERED OFFICE</b>	Alpha House Lawnswood Business Park Redvers Close Leeds West Yorkshire LS16 6QY
<b>INDEPENDENT AUDITORS</b>	PricewaterhouseCoopers LLP Chartered Accountants & Statutory Auditors Central Square 29 Wellington Street Leeds West Yorkshire LS1 4DL

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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#### INTRODUCTION

The directors present their Strategic Report for the year ended 31 December 2021.

#### BUSINESS REVIEW

Throughout the year the Company remained non-trading. Profits were generated via interest income on intercompany balances.

The financial results are summarised on page 9. The directors consider these results to be satisfactory.

The directors are satisfied with the net asset position of the Company at the year end, as disclosed on page 10.

The Company has access to considerable financial resources and has rigorous procedures for identifying, quantifying and mitigating all aspects of risk relevant to the business. In light of these factors the directors are confident that the Company has adequate resources to continue in operational existence for the foreseeable future.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties affecting the Company are relatively low as it is a non-trading intermediate holding company with a non-trading subsidiary.

Intercompany loan structures are managed at a group level, interest rates are based on external market rates. Interest risks are mainly managed by the Brenntag Group treasury department. The group hedges such risks by using various derivative instruments, this permits a balancing of risks for the Company and throughout the group.

#### KEY PERFORMANCE INDICATORS

As a non-trading holding Company, the directors believe that the principal measure for assessing Brenntag Inorganic Chemicals Limited's individual Company performance is net assets.

	2021 £000	2020 £000	Change £000	Change %
Net assets	24,792	24,223	569	2.35%

The directors are satisfied with the net asset position of the Company.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**STRATEGIC REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY**

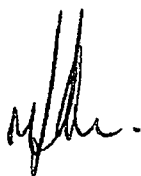
Under section 172(1) of the Companies Act 2006, the Board has a duty to act in good faith and in a way that would be most likely to promote the success of the Company for the benefit of its shareholder whilst having regard to matters set out in S172(1) (a-f) of the Act:

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

To discharge their section 172(1) duties the Board had regard to the factors set out above in making the principal decisions taken by the Company.

The Company is an intermediate holding company, has no employees, external customers or suppliers, therefore the Board primarily considers the interests of its sole member and ultimate parent company, Brenntag SE with regard to performing their duties under S172(1). All Board decisions made during the year were made to promote the long term success of both the Company and its ultimate parent company and were in line with the strategic goals and objectives of the group.

This report was approved by the Board on 6 September 2022 and signed on its behalf.



X  
**M Graddon**  
Director

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2021

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The directors present their report and the audited financial statements for the year ended 31 December 2021.

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### RESULTS AND DIVIDENDS

The results for the year are reviewed in the Strategic Report on page 1. The profit for the financial year amounted to £569,000 (2020 - £692,000). The directors do not recommend the payment of a final dividend (2020 - £nil).

#### DIRECTORS

The directors of the Company who were in office during the year and up to the date of signing the financial statements were:

R Argo  
M Gratton  
R Ward (resigned 6 May 2022)

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**FINANCIAL RISK MANAGEMENT**

**Liquidity risk**

Management control liquidity risk through careful control of all aspects of the Company's fund flows.

**Interest risk**

Intercompany loan structures are managed at a group level, interest rates are based on external market rates. Interest risks are mainly managed by the Brenntag Group treasury department. The group hedges such risks by using various derivative instruments, this permits a balancing of risks for the Company and throughout the group.

**FUTURE DEVELOPMENTS**

The directors expect the Company to remain non-trading for the foreseeable future.

**QUALIFYING THIRD PARTY INDEMNITY PROVISIONS**

Qualifying third party indemnity insurance was in place for the benefit of all the directors of the Company during the year and up to the date of signing the financial statements.

**DISCLOSURE OF INFORMATION TO AUDITORS**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

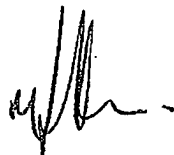
**INDEPENDENT AUDITORS**

The independent auditors, PricewaterhouseCoopers LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 6 September 2022 and signed on its behalf.

X

**M Gratton**  
Director



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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRENNTAG INORGANIC CHEMICALS LIMITED

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

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##### Opinion

In our opinion, Brenntag Inorganic Chemicals Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2021 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Balance Sheet as at 31 December 2021; the Statement of Comprehensive Income and the Statement of Changes In Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

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##### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### *Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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##### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRENNTAG INORGANIC CHEMICALS LIMITED

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#### Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### *Strategic Report and Directors' Report*

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 31 December 2021 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

#### Responsibilities for the financial statements and the audit

##### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also 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.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRENNTAG INORGANIC CHEMICALS LIMITED

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#### *Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to taxation and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting entries to manipulate the financial statements. Audit procedures performed by the engagement team included:

- testing financial statement balances to supporting documentation;
- enquiring with management and those charged with governance to understand the relevant laws and regulations applicable to the company, and their assessment of fraud related risks; and
- reviewing financial statement disclosures and testing to supporting documentation, where applicable, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 auditors' report.

#### *Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BRENNTAG INORGANIC CHEMICALS LIMITED**

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**Other required reporting**

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**Companies Act 2006 exception reporting**

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

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

We have no exceptions to report arising from this responsibility.



Rebecca Gissing (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds

6 September 2022

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	Note	2021 £000	2020 £000
Administrative expenses		(15)	(15)
<b>Operating loss</b>		<u>(15)</u>	<u>(15)</u>
Interest receivable and similar income	5	617	747
Interest payable and similar expenses	6	(33)	(40)
<b>Profit before taxation</b>		<u>569</u>	<u>692</u>
Tax on profit	7	-	-
<b>Profit for the financial year</b>		<u><u>569</u></u>	<u><u>692</u></u>

There were no recognised gains and losses for 2021 or 2020 other than those included in the Statement of Comprehensive Income.

The notes on pages 12 to 19 form part of these financial statements.

**BRENNTAG INORGANIC CHEMICALS LIMITED**  
**REGISTERED NUMBER: 00915516**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2021**

	Note	2021 £000	2020 £000
<b>Fixed assets</b>			
Investments	8	510	510
		<u>510</u>	<u>510</u>
<b>Current assets</b>			
Debtors: amounts falling due after more than one year	9	25,627	25,040
<b>Net current assets</b>		<u>25,627</u>	<u>25,040</u>
<b>Total assets less current liabilities</b>		<u>26,137</u>	<u>25,550</u>
Creditors: amounts falling due after more than one year	10	(1,345)	(1,327)
<b>Net assets</b>		<u><u>24,792</u></u>	<u><u>24,223</u></u>
<b>Capital and reserves</b>			
Called up share capital	12	18,986	18,986
Profit and loss account		5,806	5,237
<b>Total shareholders' funds</b>		<u><u>24,792</u></u>	<u><u>24,223</u></u>

The financial statements on pages 9 to 19 were approved by the Board on 6 September 2022 and were signed on its behalf by:

X 

**M Gratton**  
Director

The notes on pages 12 to 19 form part of these financial statements.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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	Called up share capital £000	Profit and loss account £000	Total shareholders' funds £000
<b>At 1 January 2020</b>	18,986	4,545	23,531
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	692	692
<b>Total comprehensive income for the year</b>	-	692	692
<b>At 31 December 2020 and 1 January 2021</b>	18,986	5,237	24,223
<b>Comprehensive income for the year</b>			
Profit for the financial year	-	569	569
<b>Total comprehensive income for the year</b>	-	569	569
<b>At 31 December 2021</b>	18,986	5,806	24,792

The notes on pages 12 to 19 form part of these financial statements.

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 1. ACCOUNTING POLICIES

##### 1.1 General information

The Company's principal activity is the holding of Investments.

The Company is a private company limited by shares and is incorporated in England & Wales. The address of its registered office is Alpha House, Lawnswood Business Park, Redvers Close, Leeds, LS16 6QY.

##### 1.2 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, "The Financial Reporting Standard Applicable in the United Kingdom and the Republic of Ireland", and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 2).

The following principal accounting policies have been consistently applied:

##### 1.3 Going concern

The UK Group has access to considerable financial resources and has rigorous procedures for identifying, quantifying and mitigating all aspects of risk relevant to the business.

The directors have carried out a robust assessment of the risks facing both the Company and the UK Group of Companies which it forms part of. The directors have prepared sensitivity analysis to assess the UK Group's cash flows based on different scenarios including a severe downturn in the UK economy. The cashflows cover the period to 31 December 2023 and in each scenario both the Company and the UK Group of Companies maintains substantial liquidity.

Having considered the sensitivity analysis the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

##### 1.4 Cash flow

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Brenntag SE, includes the Company's cash flows in its own consolidated financial statements.

##### 1.5 Consolidated financial statements

The Company is itself a wholly owned subsidiary company of Brenntag UK Holding Limited and of its ultimate parent company Brenntag SE. It is included in the consolidated financial statements of Brenntag SE, which are publicly available. Therefore the Company is exempt from the requirement to prepare group financial statements by virtue of section 401 of the Companies Act 2006.

These financial statements are the Company's separate financial statements.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.6 Operating leases: lessee**

Rentals paid under operating leases are recharged to a fellow group undertaking, who has economic use of the lease, on a straight line basis over the period of the lease.

**1.7 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment.

**1.8 Debtors**

Amounts owed by group undertakings are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

**1.9 Financial instruments**

The Company has adopted Sections 11 and 12 of FRS 102 in respect of financial instruments.

**(i) Financial assets**

Basic financial assets, including debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

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

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

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

**(ii) Financial liabilities**

Basic financial liabilities, including creditors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where debt instruments are measured at the present value of the future receipts discounted at a market rate of interest. Such liabilities are subsequently carried at amortised cost, using the effective interest rate method.

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

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**1. ACCOUNTING POLICIES (CONTINUED)**

**1.10 Creditors**

Amounts owed to group undertakings are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

**1.11 Finance costs**

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount.

**1.12 Interest income**

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**1.13 Taxation**

Tax is recognised in the Statement of Comprehensive Income. The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the Balance Sheet date in the countries where the Company operates and generates income.

**1.14 Related party transactions**

The Company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned, as permitted under FRS 102.

**1.15 Contingent Liabilities**

Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are continually evaluated and are based on historical experience and other factors that are considered to be relevant.

##### Critical judgements in applying the entity's accounting policies

The directors believe that none of the judgements applied would have a significant risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial year.

##### Critical accounting assumptions and estimates

The estimates and assumptions that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below:

##### (i) Provisions and contingencies

The Company can be subject to situations where possible obligations arising from past events will only be confirmed by the occurrence of future events not wholly in control of the Company or where the amount of obligations cannot be reliably estimated. Management review such situations at each balance sheet date and make judgements based on all information available to determine if an outflow of resources can be reliably estimated or not. If a reliable estimate is not possible, a contingent liability is reported for each material case unless the probability of an outflow is remote.

#### 3. AUDITORS' REMUNERATION

	2021 £000	2020 £000
Fees payable to the Company's auditors and their associates for the audit of the Company's financial statements	5	5

All audit costs for this Company are borne by a fellow group Company.

#### 4. EMPLOYEES

The Company has no employees other than the directors, in respect of their services to the Company, the directors are wholly remunerated through Brenntag UK Limited (a fellow subsidiary). A corporate services recharge has been made to recharge administration costs borne by Brenntag UK Limited on behalf of the Company, this includes £5,000 (2020 - £5,000) for directorship costs.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**5. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2021 £000	2020 £000
Interest receivable from group undertakings	617	747

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2021 £000	2020 £000
Interest payable to group undertakings	33	40

**7. TAX ON PROFIT**

	2021 £000	2020 £000
Current tax on profit for the year	-	-

**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £000	2020 £000
Profit before taxation	569	692
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	108	131
Effects of:		
Group relief	(108)	(131)
Total tax charge for the year	-	-

**Factors that may affect future tax charge**

There were no factors that may affect future tax charges.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**8. INVESTMENTS**

	Investments in subsidiary companies £000
<b>Cost</b>	
At 1 January 2021 and 31 December 2021	510
	<hr/>
<b>Net book value</b>	
At 31 December 2021	510
	<hr/>
At 31 December 2020	510
	<hr/>

The following was a direct subsidiary undertaking of the Company:

Name	Registered office	Class of shares	Holding
Murgatroyd's Salt & Chemical Company Limited	Alpha House, Lawnswood Business Park, Redvers Close, Leeds, West Yorkshire, LS16 6QY	£1 ordinary	100%

The directors believe that the carrying value of the investments is supported by their underlying assets and future cash flows.

**9. DEBTORS: Amounts falling due after more than one year**

	2021 £000	2020 £000
Amounts owed by group undertakings	25,627	25,040
	<hr/>	<hr/>

Amounts owed by group undertakings are unsecured, interest is charged at market rate and repayment terms are as stated in the respective loan agreements, at fixed dates after one year.

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**BRENNTAG INORGANIC CHEMICALS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2021**

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**10. CREDITORS: Amounts falling due after more than one year**

	2021 £000	2020 £000
Amounts owed to group undertakings	1,345	1,327

Amounts owed to group undertakings are unsecured, interest is charged at market rate and repayment terms are as stated in the respective loan agreements, at fixed dates after one year.

**11. FINANCIAL INSTRUMENTS**

	2021 £000	2020 £000
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	25,627	25,040
<b>Financial liabilities</b>		
Financial liabilities measured at amortised cost	1,345	1,327

Financial assets that are debt instruments measured at amortised cost comprise amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

**12. CALLED UP SHARE CAPITAL**

	2021 £000	2020 £000
<b>Allotted, called up and fully paid</b>		
18,986,381 (2020 -18,986,381) ordinary shares of £1 each	18,986	18,986

**13. CONTINGENT LIABILITIES**

In connection with the elimination of environmental damage, as at 31 December 2021, there were contingent liabilities with a fair value of £2,534,000 (2020: £2,508,000).

The £2,534,000 represents the most likely estimate of potential costs associated with the elimination of environmental damage. The estimated costs range from a best case of £1,985,000 to a worst case of £3,274,000.

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## BRENNTAG INORGANIC CHEMICALS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021

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#### 14. COMMITMENTS UNDER OPERATING LEASES

At 31 December the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £000	2020 £000
Not later than one year	2	2
Later than one year and not later than five years	6	6
Later than five years	34	36
	<u>42</u>	<u>44</u>

#### 15. RELATED PARTY TRANSACTIONS

The Company is exempt under FRS 102 from disclosing related party transactions with members of the same group that are wholly owned. There have been no other related party transactions.

#### 16. CONTROLLING PARTY

The Company's immediate parent company is Brenntag UK Holding Limited which is registered in the United Kingdom.

The Company's ultimate parent company and controlling entity is Brenntag SE which is incorporated in Germany.

Brenntag SE is the parent undertaking of the smallest and largest group to consolidate these financial statements at 31 December 2021. The consolidated financial statements of Brenntag SE are available from their registered office, at Messeallee 11, D-45131, Essen, Germany.